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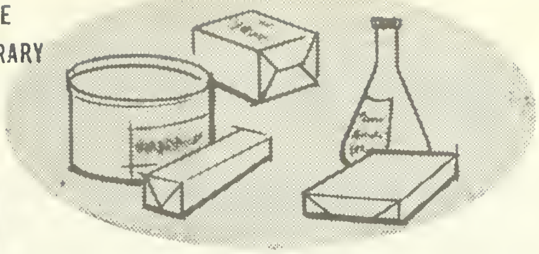
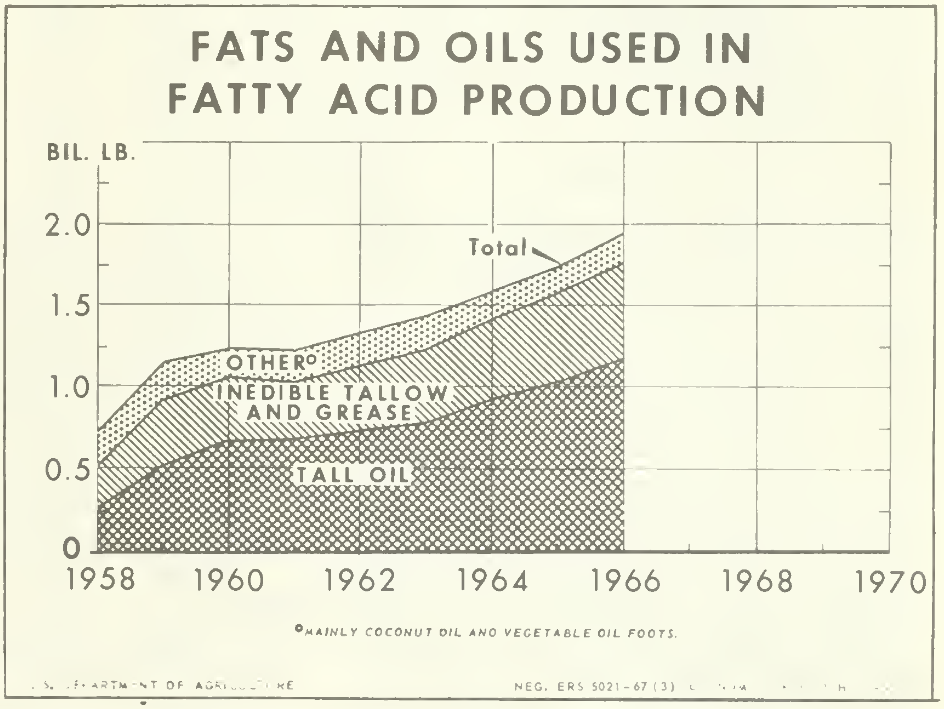


FATS and OILS SITUATION

FOS-237 For 3:00 P.M. (EST) Release, April 4, 1967

Use of inedible fats and oils in U.S. fatty acid production has increased sharply since 1958, rising from 0.7 billion pounds that year to a record 1.9 billion in 1966. Tall oil, a byproduct of the wood pulp industry, made the greatest gain. Tall oil and inedible tallow and greases combined now account for about 90 percent of the total raw materials used.

The growth in fatty acid output has been stimulated by new uses and improved processing techniques. Fatty acids and derivatives continue to be the most promising market for inedible fats and oils as fatty acid production and its widely diversified uses continue to expand. (See page 27.)



FATS AND OILS USED IN FATTY ACID PRODUCTION

°MAINLY COCONUT OIL AND VEGETABLE OIL FOOTS.

U. S. DEPARTMENT OF AGRICULTURE NEG. ERS 5021-67 (3)

IN THIS ISSUE

FATTY ACIDS: AN EXPANDING MARKET FOR FATS AND OILS

U.S. FOOD FAT CONSUMPTION

Published five times a year by
ECONOMIC RESEARCH SERVICE, U. S. DEPARTMENT OF AGRICULTURE

Table 1.--Wholesale and retail prices per pound for fats and oils

Item	February		1966	1967	
	1965	1966	December	January	February
	Cents	Cents	Cents	Cents	Cents
Wholesale Prices:					
Butter, creamery, Grade A, (92-score) bulk, New York	58.8	62.9	67.4	66.9	67.3
Butter, creamery, Grade A, (92-score) bulk, Chicago	58.0	61.8	66.5	66.5	66.5
Butter, creamery, Grade A, (92-score) prints, San Francisco	69.8	75.3	80.8	80.8	79.8
Castor oil, dehydrated, tanks, New York	25.1	25.0	25.0	25.0	25.0
Castor oil, No. 1, Brazilian, tanks, imported, New York	12.9	14.0	15.8	15.8	15.8
Castor oil, No. 1, tanks, f.o.b., New Jersey mills	15.2	16.1	16.7	16.7	16.7
Coconut oil, crude, tank cars, Pacific Coast, f.o.b. mills 1/	16.0	14.5	13.0	13.0	12.8
Coconut oil, crude, tanks, f.o.b. New York 1/	16.0	14.5	13.4	13.1	13.1
Coconut oil, refined, drums, l.c.l., New York 1/	22.0	20.8	20.0	20.0	20.0
Cod oil, spot, drums, New York	13.0	12.5	9.6	9.6	9.6
Codliver oil, medicinal, U. S. P., barrels, New York	18.2	19.5	19.5	19.5	19.5
Corn oil, crude, tank cars, f.o.b. Midwest mills	13.9	20.7	14.3	13.3	12.7
Corn oil, refined, tanks, New York	16.8	24.1	17.4	16.0	15.8
Cottonseed oil, crude, tank cars, f.o.b., S. E. mills	13.0	13.2	12.9	12.1	12.2
Cottonseed oil, crude, tank cars, f.o.b., Valley	12.9	12.9	12.8	12.0	12.1
Cottonseed oil, crude, tank cars, f.o.b., Texas	12.9	12.9	12.8	11.9	12.1
Cottonseed oil, p.s.y., bleachable, tank cars, New York 2/	14.2	14.8	14.6	13.6	13.8
Cottonseed oil, refined, tanks, New York	15.5	15.8	15.7	14.9	15.0
Degras, Lanolin technical, drums, New York	39.0	35.0	22.0	22.0	22.0
Glycerin, soaplye, tanks, New York 3/	12.2	13.9	15.5	15.6	15.6
Grease, A white, tank cars, delivered Chicago	8.0	8.5	6.7	6.4	6.1
Grease, B white, delivered, Chicago	7.9	7.4	5.9	5.8	5.5
Grease, yellow, delivered, Chicago	7.5	7.2	5.6	5.6	5.3
Grease, white, choice, tanks, New York	8.9	9.2	7.2	6.9	6.5
Grease oil, extra No. 1, drums, Chicago	13.5	13.5	13.5	13.5	13.5
Lard, loose, tank cars, Chicago	11.2	13.0	9.3	9.1	8.8
Lard, prime steam, tierces, Chicago	11.2	13.1	9.4	9.1	8.8
Lard, refined, 1-pound cartons, Chicago 4/	16.3	19.8	14.8	14.7	14.6
Linseed oil, raw, tank cars, Minneapolis	13.9	12.8	12.8	12.8	12.8
Linseed oil, raw, tanks, New York	15.0	13.9	13.9	13.9	13.9
Margarine, colored, delivered, Eastern U. S.	25.9	26.1	27.3	27.3	25.6
Margarine, yellow, quarters, f.o.b., Chicago	26.2	25.8	27.2	27.2	26.5
Margarine, white, domestic vegetable, Chicago	24.2	22.8	24.1	24.2	23.8
Menhaden oil, crude, tanks, f.o.b., Baltimore	9.3	9.5	8.8	8.8	8.9
Menhaden oil, light pressed, tanks, New York	11.3	11.3	11.3	11.3	11.3
Neat's foot oil, 30°, drums, carlots, New York	27.0	27.0	27.0	27.0	27.0
Oiticica oil, drums, f.o.b., New York	20.1	24.8	19.0	18.8	18.8
Oiticica oil, tanks, New York	18.2	22.5	16.8	16.8	16.8
Oleo oil, extra, drums, Chicago	18.2	18.8	19.8	19.8	19.8
Olive oil, imported, edible, drums, New York	38.9	36.7	38.0	38.0	38.0
Palm oil, clarified, drums, f.o.b. New York 5/	15.5	15.2	15.2	15.2	15.2
Palm oil, Congo, tank cars, f.o.b., New York	12.9	13.1	12.8	12.8	12.8
Palm kernel oil, bulk, c.i.f., New York 5/	15.8	14.5	12.0	11.9	11.8
Peanut oil, crude, tank cars, f.o.b. S. E. mills	15.5	13.4	13.1	12.6	12.4
Peanut oil, refined, tanks, New York	18.2	15.8	15.6	15.2	15.2
Rapeseed oil, refined (denatured), tanks, New York	15.2	15.5	15.2	15.2	15.2
Safflower oil, nonbreak, tanks, East Coast	15.6	15.3	16.5	16.0	16.0
Sesame oil, refined, drums, New York	33.0	33.0	37.0	37.0	37.0
Shortening, all vegetable, hydrogenated, 440-lb. drums, New York	24.3	21.5	21.2	21.2	20.2
Shortening, all vegetable, hydrogenated, 3 lb. tins, delivered, Eastern U.S.	27.4	26.4	27.3	27.3	27.3
Soybean oil, crude, tank cars, f.o.b., Decatur	12.1	12.0	10.6	10.3	10.3
Soybean oil, refined, tanks, New York	14.3	14.1	12.9	12.5	12.5
Soybean oil, clarified, tanks, New York	14.1	13.9	12.4	12.2	12.1
Sperm oil, natural, 45°, drums, New York	15.2	14.5	14.5	14.5	14.5
Sperm oil, bleached, winter 45°, drums, New York	16.2	15.5	15.5	15.5	15.5
Tall oil, crude, tanks, works	3.6	3.4	3.1	3.1	3.1
Tall oil, refined, tanks, works	7.5	7.5	7.5	7.5	7.5
Tallow, edible, loose, Chicago	11.1	12.7	9.7	8.9	8.2
Tallow, inedible, packers' prime, c.a.f. delivered, Chicago	8.3	7.6	6.1	6.1	5.7
Tallow, inedible, bleachable fancy, delivered, Chicago	8.8	8.0	6.8	6.7	6.1
Tallow, No. 1, inedible, delivered, Chicago	7.6	7.2	5.6	5.6	5.2
Tallow, special, inedible, tanks, delivered, New York	8.5	7.5	6.4	6.3	6.2
Tung oil, imported, drums, f.o.b., New York	26.5	26.2	19.0	18.8	18.8
Tung oil, tanks, New York	24.6	23.7	17.0	16.8	16.8
Tung oil, domestic, tanks, f.o.b. mills	24.6	24.1	24.0	24.0	24.0
Retail prices 6/					
Butter	75.0	76.2	85.7	84.9	84.6
Margarine	27.8	28.0	29.5	29.5	29.2
Shortening	29.3	29.4	30.7	30.5	30.3
Salad Dressing (Italian)	73.6	75.0	76.0	76.2	75.8
Peanut Butter	59.7	60.0	59.7	59.7	59.9
Cooking and Salad oils	34.0	36.0	40.7	40.6	40.8

1/ 3-cent processing tax suspended beginning October 1957.
2/ Nearby futures.
3/ Beginning January 1965, average of weekly prices, New York Journal of Commerce.
4/ Beginning April 1966, one and two pound prints.
5/ 3-cent processing tax suspended beginning July 1959.
6/ Leading cities.

FATS AND OILS SITUATION

Approved by the Outlook and Situation Board, March 29, 1967

CONTENTS

	Page		Page
Summary	3	Peanut Oil	18
Review and Outlook:		Flaxseed	18
1967 Prospective Plantings	4	Inedible tallow	20
Oilseed Crops on 1967 Diverted Acres	6	U.S. Foreign Trade in 1966	22
Soybeans	7	U.S. Food Fat Consumption in 1966	22
Cottonseed	13	Fatty Acids: An Expanding Market for Fats and Oils	27
Butter	15	List of Tables	43
Lard	15		

SUMMARY

U.S. soybean producers plan to plant 41 million acres to soybeans this year, based on a report of their March 1 planting intentions. This would be 3 million acres (or 9 percent) more than in 1966, and a record high for the seventh consecutive year. Cotton and peanut acreages intended for 1967 are down slightly from the 1966 levels, and flax seedings are expected to drop about 20 percent. In total, U.S. farmers intend to plant 54 million acres to these oilseed crops this year--4 percent more than in 1966.

Soybean prices (No. 1 yellow, Chicago) have remained relatively stable since last October, the monthly average varying mostly between $2.90 and $3.00 per bushel. At this level, prices were about a tenth higher than in October-March 1965/66. Soybean prices are expected to continue relatively steady in coming months but will adjust to new crop prospects during the summer. However, they likely will average well below the April-August 1966 level of $3.35 per bushel at Chicago, when soybean prices advanced sharply. The recently announced reseal program for 1966-crop soybeans will tend to provide stability to market prices as well as offer producers an opportunity to earn storage payments on farm-stored soybeans.

The relatively high price of soybeans, compared with product values this marketing year, has restrained the usage rate. During September-February 1966/67, crushings were up about 2 percent over last year, and exports were about even. The combined crush-export total was 419 million bushels--up only 7 million bushels over a year earlier. Total disappearance of soybeans (including seed, feed, and waste) for the entire 1966/67 marketing year is now expected to total around 885 million bushels--about 5 percent more than in 1965/66. The 1966/67 soybean supply of 967 million bushels is 10 percent above 1965/66.

Soybean oil prices (crude, Decatur) generally declined from about 11 cents per pound in October 1966 to 10 cents in February. The soybean crushing rate so far this marketing year has been determined largely by expanding soybean meal requirements and has resulted in modest increases in oil stocks. Domestic use of soybean oil is setting a new record this

year, but exports are off sharply. Soybean meal prices (bulk, Decatur) held fairly steady during October-February 1966/67, averaging $81 per ton. During March 1967, soybean oil prices strengthened slightly to about 10.3 cents per pound, while soybean meal slipped to $77 per ton. Soybean oil prices during the remainder of the marketing year probably will remain firm or possibly increase, as exports pick up and supplies of competitive cottonseed oil and meal are reduced.

Cottonseed oil prices (crude, Valley) fell from over 16 cents per pound in August 1966 to under 12 cents in March 1967. Cottonseed oil supplies are down about a third this year, but domestic use and exports are both off sharply. The seasonal peak in cottonseed oil supply has now passed, and prices probably will remain firm. Many domestic users of cottonseed oil in the manufacture of shortening, margarine, and cooking and salad oils have switched to lower-priced soybean oil and lard this year in order to remain competitive.

Lard prices (loose, Chicago) dropped from about 11 cents per pound in October 1966 to under 9 cents in March 1967. The decline reflects increased lard production this year and the general price decline in food fats and oils. Domestic use and exports are both ahead of year-earlier rates. Lard prices probably have passed their seasonal lows, and a slight rise is in prospect for the rest of the marketing year.

REVIEW AND OUTLOOK

Planting Intentions Report Shows 4% Increase in Oilseed Acreage

Farmers' planting intentions reported as of March 1 showed a 9 percent increase in 1967 soybean acreage. This more than offset slight reductions in cotton and peanuts and a sharp cutback in flaxseed acreage. Indicated acreage for the 4 oilseeds is 54.3 million--4 percent more than last year (table 2).

Soybean growers intend to plant a record 40.6 million acres--3.2 million above 1966. This will be the seventh consecutive year of record high acreages. All regions expect acreage increases from a year earlier. The greatest expansion--16 percent--was in the South Central States. Other indicated increases are: South Atlantic, 11 percent; North Central, 6 percent; and the minor producing North Atlantic region, 9 percent.

Growers in the North Central region account for some two-thirds of the Nation's soybean acreage. Increases are intended in all States except Illinois--the leading producing State--where acreage is expected to remain unchanged. Acreage increases are intended in all other major producing States--led by Iowa, up 10 percent; Minnesota, 8 percent; Ohio, 7 percent; Indiana and Missouri, each 4 percent. Rapid expansion continues in western areas: North Dakota expects a 15 percent increase; South Dakota, 13 percent; and Nebraska, 12 percent.

In the South Central region, Arkansas expects a 6 percent acreage increase; Mississippi, 18 percent; Louisiana, 35 percent; Tennessee, 23 percent; Kentucky, 25 percent; and Alabama, 40 percent.

Delaware and Maryland in the South Atlantic region are the only States in the Nation expecting decreases: acreage in Delaware is expected to be cut 6 percent; an 8 percent decrease is intended in Maryland. Increases are indicated for all other States in the region, ranging from 3 percent in Virginia to 50 percent in Georgia. Each of the Carolinas expects to plant more than a million acres--equal to a 9-percent increase in North Carolina and 10 percent in South Carolina.

Table 2.--Oilseeds: Prospective plantings for 1967 (based on March intentions of farmers) with comparisons, 1949-67

Year	Soybeans				Cottonseed			
	Acreage		Production		Cotton acreage		Cottonseed production	
	Planted 1/	Harvested for beans	Per acre harvested	Total	Planted	Harvested	Per acre harvested	Total
	1,000 acres	1,000 acres	Bushels	Million bushels	1,000 acres	1,000 acres	Pounds	1,000 tons
1949	11,872	10,482	22.3	234.2	28,283	27,439	482	6,614
1950	15,048	13,807	21.7	299.2	18,866	17,843	460	4,105
1951	15,176	13,615	20.8	283.8	29,353	26,949	467	6,302
1952	15,958	14,435	20.7	298.8	28,065	25,921	478	6,191
1953	16,394	14,829	18.2	269.2	26,872	24,341	554	6,749
1954	18,541	17,047	20.0	341.1	20,052	19,251	593	5,709
1955	19,674	18,620	20.1	373.7	17,991	16,928	714	6,043
1956	21,700	20,620	21.8	449.3	17,077	15,615	693	5,407
1957	21,938	20,857	23.2	483.4	14,310	13,558	680	4,609
1958	25,108	23,993	24.2	580.2	12,379	11,849	810	4,798
1959	23,349	22,631	23.5	532.9	15,833	15,117	793	5,991
1960	24,440	23,655	23.5	555.1	16,080	15,309	769	5,886
1961	27,787	27,003	25.1	678.6	16,588	15,634	765	5,978
1962	28,418	27,608	24.2	669.2	16,293	15,569	789	6,139
1963	29,462	28,615	24.4	699.2	14,843	14,212	871	6,192
1964	31,605	30,793	22.8	700.9	14,835	14,055	886	6,227
1965	35,227	34,449	24.5	845.6	14,152	13,615	898	6,116
1966 2/	37,388	36,644	25.4	931.5	10,353	9,595	826	3,964
1967 3/	40,602			4/1,000	9,975			

Year	Flaxseed				Peanuts				Total 4 oilseeds
	Acreage		Production		Acreage		Production		
	Planted	Harvested	Per acre harvested	Total	Planted 1/	Harvested for nuts	Per acre harvested	Total	Acreage planted
	1,000 acres	1,000 acres	Bushels	Million bushels	1,000 acres	1,000 acres	Pounds	Million pounds	Million acres
1949	5,348	5,048	8.5	43.0	2,762	2,308	808	1,865	48.3
1950	4,274	4,090	9.8	40.2	2,633	2,262	900	2,035	40.8
1951	4,116	3,904	8.9	34.7	2,510	1,982	837	1,659	51.2
1952	3,445	3,304	9.1	30.2	1,838	1,443	940	1,356	49.3
1953	4,759	4,570	8.2	37.7	1,796	1,515	1,039	1,574	49.8
1954	5,947	5,663	7.3	41.3	1,824	1,387	727	1,008	46.4
1955	5,148	4,914	8.2	40.4	1,882	1,669	928	1,548	44.7
1956	5,786	5,473	8.6	47.0	1,834	1,384	1,161	1,607	46.4
1957	5,481	4,793	5.2	25.1	1,746	1,481	969	1,436	43.5
1958	3,862	3,679	10.2	37.4	1,702	1,516	1,197	1,814	43.1
1959	3,268	2,932	7.2	21.2	1,576	1,435	1,061	1,523	44.0
1960	3,437	3,342	9.1	30.4	1,526	1,395	1,232	1,718	45.5
1961	2,975	2,514	8.8	22.2	1,524	1,398	1,185	1,657	48.9
1962	3,102	2,808	11.5	32.2	1,507	1,400	1,228	1,719	49.3
1963	3,379	3,172	9.8	31.0	1,498	1,396	1,391	1,942	49.0
1964	2,965	2,825	8.6	24.4	1,487	1,397	1,502	2,099	50.9
1965	2,868	2,775	12.8	35.4	1,517	1,435	1,661	2,384	53.8
1966 2/	2,732	2,627	9.1	23.9	1,507	1,436	1,691	2,428	52.0
1967 3/	2,184				1,494			5/2,476	54.3

1/ Acreage grown alone for all purposes. 2/ Preliminary. 3/ Indicated. 4/ If the same proportion of total acreage of soybeans is harvested for beans as in 1966 and an average yield per harvested acre, with an allowance for trend, is obtained. 5/ Based on an average ratio of acres harvested for nuts to acres planted alone and the average yield per acre with an allowance for trend.

Approximately 39.7 million acres of soybeans will be harvested for beans if growers plant the intended acreage, and the proportion harvested for beans equals the average of the past 2 years. If yields are average (with allowance for trend), 1967 production would be a record of about 1 billion bushels, compared with 931 million bushels in 1966.

Growers' intentions for 1967 crop acreages were reported during the signup period for the 1967 Feed Grain, Spring Wheat, and Cotton Programs. Actual plantings may be altered by later decisions about Government programs, effects of weather, labor prospects, and other economic factors present during the spring planting season.

Cotton growers plan to plant 10.0 million acres of cotton in 1967--4 percent less than last year and the smallest in nearly a century.

The Domestic allotment program, begun last year, is in effect again this year, and even heavier acreage diversion is expected. Participation in the program was general last year, and the acreage dropped to 10.4 million acres--27 percent less than the 14.2 million planted in 1965. Prior to placing this program in operation, the planted acreage averaged 15.3 million acres (1961-65). The 1967 upland allotment of 16.2 million acres is the same as last year, but more growers are electing the 35 percent diversion plan.

Flaxseed growers intend to reduce their 1967 seedings to 2.2 million acres--20 percent below 1966. This is the fourth consecutive year of declines in acreage, and would be the lowest acreage planted since 1938.

Decreases are expected in all producing States. North Dakota--producer of 60 percent of the U.S. total--expects to reduce acreage 16 percent below last year's planted acreage. South Dakota and Minnesota show declines of 19 percent and 23 percent, respectively. Because flax can be seeded later than most crops, success in seeding other spring crops can affect the flax acreage finally planted.

Peanut growers intend to plant 1.5 million acres of peanuts in 1967--1 percent less than 1966. Estimates include acreage for nuts, hay, and hogging off as well as for other purposes. The 1967 national peanut allotment has been set at the legal minimum of 1.6 million acres for picking and threshing. Prospective 1967 peanut acreage is down about 1 percent in each of the 3 major producing areas--Virginia-Carolina, Southeastern, and Southwestern.

Some Oilseed Crops Permitted On 1967 Diverted Acreage

USDA announced on February 28, 1967, alternate non-surplus crops which may be grown on diverted feed grain or cotton acreage. These crops are: castorbeans, guar, sesame, plantago ovata, mustard seed, and crambe.

By law, sunflower, safflower, and flaxseed also could be grown on diverted acres. Sunflower and safflower were included last year. However, U.S. production of these 3 crops now is expected to be ample to supply demand without planting on diverted acres.

There is no acreage diversion under the 1967 wheat program, so no alternate crop planting is possible. There is a change in the diversion program for feed grains, however, so there will be a difference in the method of computing the deduction from payments when alternate crops are planted on such acreage.

For cotton, payment reductions are unchanged from those in effect for 1966. The following percentages of the cotton diversion payment will be deducted: castorbeans, sesame, guar, and crambe, 50 percent each; and plantago ovata and mustard seed, 70 percent each.

For feed grains, planting of alternative crops will be authorized on the minimum diverted acreage of 20 percent of the feed grain base. For small farms, the percentages of the feed grain diversion payment to be deducted will be: castorbeans and guar, 70 percent each; and sesame, crambe, plantago ovata, and mustard seed, 100 percent each. For larger base farms, planting of the specified alternate crops will be based on voluntary agreements with individual producers. These agreements provide for deduction from the feed grain price-support payment equivalent to the deduction from the diversion payment for small base feed grain farms having the same yield per acre.

SOYBEANS

Prices Continue Steady

Supplies of soybeans available during April-August this year will be record large and sharply above the anticipated requirements. Based on crushing and export estimates for the entire 1966/67 marketing year (discussed below), carryover stocks next September 1 probably will exceed 80 million bushels, compared with 36 million the same date last year.

Prices received by farmers have remained relatively stable since last fall, varying between $2.70 and $2.80 per bushel, and averaging 9 percent above October-March 1965/66. Prices are expected to continue relatively steady in coming months but will adjust to new crop prospects during the summer. They likely will average below the $3.12 level last year, when the U.S. average price received by farmers for soybeans advanced from $2.78 per bushel in April to $3.49 in August 1966.

Reseal Program Offered For 1966-Crop Soybeans

The reseal program and sales policy for 1966-crop soybeans, announced by USDA on March 1, 1967, will tend to provide stability to market prices.

Soybeans from the 1966-crop under price support loan in on-farm storage will be eligible for loan extensions (reseal) before the loans mature July 31, 1967. When the reseal program is in effect in a State, farmers may choose whether to redeem their loans, deliver the soybeans to CCC to satisfy their loans, or reseal them and earn storage payments. Loans on resealed soybeans may be called by CCC at any time but not later than August 1, 1968. The producer's storage payment rate for resealed soybeans will be announced later. If a farmer delivers or redeems his resealed soybeans prior to July 31, 1968, his storage payment will be based on the number of months they are in storage after August 1, 1967.

Reseal programs for farm-stored soybeans were previously in effect for the 1958, 1961, and 1963 crops. Results under these earlier programs are presented in table 3. Two important trends stand out: 1) About 25 percent of the farm-stored soybeans under loan were placed under the reseal program; 2) nearly 80 percent of the soybeans resealed were in Iowa and Minnesota. Virtually all of the 1958-crop resealed soybeans were delivered to CCC but in 1961, producers redeemed loans on about three-fourths the total under reseal. Under the 1963 program, practically all soybean under loan-extension were redeemed by producers.

Through February 28, producers placed a record 144.1 million bushels of 1966-crop soybeans under price support loans, compared with 86 million in the same period a year ago. Repayments of 1966-crop loans through February totaled 13.5 million bushels (10.5 warehouse and 3.0 farm stored), leaving a net loan entry of 130.6 million bushels.

On February 28, 1967, farmers had price-support loans on a net 62.3 million bushels of farm-stored 1966-crop soybeans. If the previous reseal relationships hold, about 15 to 20 million bushels of these soybeans would be placed under the 1966 reseal program. However, farmers may have

Table 3.--Soybeans: Price support operations and reseal programs, 1958-66

Crops	Quantity put under price support					CCC acquisitions						
	Warehouse stored	Farm stored	Total quantities under loan	Purchase agreements made	Total under price support	Warehouse stored	Farm stored	Total loans	Purchase agreement delivered	Total	Reseal loan	Total acquisitions
	-- Million bushels --											
1958	74.1	51.8	125.9	14.3	140.2	57.2	13.4	70.6	1.2	71.8	13.4	85.2
1959	19.5	25.8	45.3	7.1	52.4	2.8	1.1	3.9	1/	3.9	No prog.	3.9
1960	9.0	16.4	25.4	0.2	25.6	1/	1/	1/	1/	1/	No prog.	1/
1961	60.3	54.4	114.7	17.8	132.5	43.3	12.9	56.2	1.0	57.2	3.0	60.2
1962	35.4	31.2	66.6	2.3	68.9	1.1	0.1	1.2	1/	1.2	No prog.	1.2
1963	33.2	36.5	69.7	3.1	72.8	11.8	0.4	12.2	1/	12.2	1/	12.2
1964	14.8	13.8	28.6	---	28.6	1/	1/	1/	---	1/	No prog.	1/
1965	50.2	36.3	86.5	---	86.5	1/	1/	0.1	---	0.1	No prog.	0.1
1966 (as of 2/28/67)	78.8	65.3	144.1	---	144.1	1/	1/	1/	---	1/		

Reseal (loan extensions on farm-stored soybeans)

State	1958 crop		1961 crop		1963 crop		1966 crop	
	Quantity put under reseal	Quantity reseal delivered	Quantity put under reseal	Quantity reseal delivered	Quantity put under reseal	Quantity reseal delivered	Quantity put under reseal	Quantity reseal delivered
	-- Million bushels --							
Illinois	0.9	0.9	0.6	0	0.9			
Indiana	0.2	0.2	0.2	0	0.4			
Iowa	7.0	6.9	5.5	2.6	4.7			
Minnesota	4.1	4.1	3.3	0.2	3.2			
Missouri	0.3	0.2	0.6	0	0.6			
Nebraska	0.4	0.4	0.4	0.1	0.2			
North Dakota	0.2	0.2	0.1	0	1/			
Ohio	0.1	0.1	0.2	0	0.3			
South Dakota	0.2	0.2	0.1	0	0.1			
Kansas	0.1	0.1	0.3	0	0.1			
Other States	0.1	0.1	0.1	0.1	0.2			
U.S. total	13.6	13.4	11.4	3.0	10.7	1/		

1/ Less than 50,000 bushels.

SOURCE: ASCS Operating Records.

more storage available for soybeans because of smaller quantities of resealed corn.

CCC Sales Policy Set for 1966-Crop Soybeans

USDA announced on March 1, 1967, that it was raising the minimum CCC sales price for any soybeans acquired under the price support program. CCC currently has no inventory of soybeans, and there are none under reseal loans. Under the sales policy which will be in effect through August 31, 1968, any soybeans acquired by CCC will be sold at 105 percent of support plus carrying charges, or at the market price, whichever is higher. Carrying charges will be added in 9 monthly increments as is done in pricing grains. Previously, a flat markup of 19 cents was in effect for the entire year.

The minimum CCC sale price for soybeans in August 1967 will average $2.86 per bushel for No. 1 grade, or the market price if higher. (If the minimum had been set by adding 19 cents to the support price, the average minimum would have been $2.69.) On September 1, 1967, the beginning of the new marketing year for soybeans, the national average minimum will drop to $2.725, or will be at the market price if higher. The $2.725 is computed by adding 5 percent (12.5 cents) to the national average support price of $2.50, plus 5 cents for conversion from No. 2 to No. 1 grade soybeans, plus 5 cents for warehouse receiving charge. This national average minimum price will increase at the rate of 1.5 cents per month for No. 1 grade soybeans as follows:

September	$2.725	March	$2.815
October	$2.740	April	$2.830
November	$2.755	May	$2.845
December	$2.770	June	$2.860
January	$2.785	July	$2.860
February	$2.800	August	$2.860

1967 Soybean Price Support Unchanged

USDA announced on February 2, 1967, that soybeans from the 1967 crop will continue to receive price support at $2.50 per bushel, unchanged from the 1966 level. The 1967 level of soybean price support is 78 percent of the February 1967 effective parity price of $3.22 for all soybeans. This level is expected to encourage production of soybeans at levels high enough to supply domestic and foreign demand and to help maintain prices and incomes to growers.

Producers can receive price support on 1967-crop soybeans through loans and purchases, either as individuals or through their producer associations. Loans will be available until 1 month before their July 31, 1968, maturity date.

Crushings and Exports Lagging Behind Early Season Expectations

Soybean crushings during September-February 1966/67 totaled 273 million bushels, compared with 267 million a year earlier (table 4). The crushing rate so far this marketing year has lagged behind early season expectations--primarily because of the relatively high price of soybeans in relation to product values. Soybean prices to farmers and soybean meal prices are sharply higher so far this year than last, while soybean oil prices are somewhat lower. This has resulted in a processing margin of 19 cents per bushel during September-February 1966/67, compared with 39 cents the same period a year ago. The crushing rate so far this marketing year has been determined largely by expanding soybean meal requirements and has resulted in modest increases in oil stocks.

The soybean crushing rate during March-August is expected to pick up from year-earlier levels, as total requirements for soybean oil and meal increase and supplies of competitive cottonseed oil and meal are reduced sharply. Accordingly, crushings for the entire 1966/67 marketing year may total around 565 million bushels, compared with 538 million in 1965/66. This would require an average

Table 4.--Soybeans, soybean oil, and meal: Supply and disposition, crop years, 1958-66

Item	Year beginning September									
	1958	1959	1960	1961	1962	1963	1964	1965	1966 1/	1967 2/
SOYBEANS	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
Supply										
Stocks, September 1 3/	42.8	87.8	51.8	27.1	78.3	46.0	67.3	29.7	35.6	81
Production	580.2	532.9	555.1	678.6	669.2	699.2	700.9	845.6	931.5	1,000
Total supply	623.0	620.7	606.9	705.7	747.5	745.2	768.2	875.3	967.2	1,081
Dispostion										
Seed, feed and residual	31.4	35.0	39.0	46.6	48.3	53.9	47.3	51.5	56	
September-February:										
Crushings	197.2	198.0	211.3	214.0	237.5	221.9	248.2	266.9	273.3	
Exports	57.4	75.3	84.9	85.6	98.8	103.3	106.6	144.6	145.3	
March 1 supply remaining	337.0	312.4	271.7	359.5	362.9	366.1	366.1	412.3	493	
March-August:										
Crushings	201.6	196.0	194.8	217.4	235.2	214.9	230.8	270.6	292	
Exports	47.6	64.6	49.8	63.8	81.7	83.9	105.6	106.0	120	
Season totals										
Crushings	398.8	394.0	406.1	431.4	472.7	436.8	479.0	537.5	565	
Exports	105.0	139.9	134.7	149.4	180.5	187.2	212.2	250.6	265	
Stocks, August 31 3/	87.8	51.8	27.1	78.3	46.0	67.3	29.7	35.6	81	
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Price per bushel										
Support	2.09	1.85	1.85	2.30	2.25	2.25	2.25	2.25	2.50	2.50
Received by farmers	2.00	1.96	2.13	2.28	2.34	2.51	2.62	2.54	4/2.80	
SOYBEAN OIL	Year beginning October									
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Supply										
Stocks, October 1	281	298	308	677	618	920	578	297	462	
Production	4,251	4,338	4,420	4,790	5,091	4,822	5,146	5,800	5/6,025	
Total supply	4,532	4,636	4,728	5,467	5,709	5,742	5,724	6,097	6,487	
Disposition										
October-February:										
Domestic disappearance	1,368	1,398	1,434	1,437	1,664	1,634	1,729	1,965	2,060	
Exports and shipments 6/	265	213	350	341	309	344	528	405	343	
Stocks, March 1	452	555	538	969	846	1,000	606	444	577	
March-September:										
Domestic disappearance	1,936	1,978	1,895	2,103	1,960	2,424	2,340	2,723	2,940	
Exports and shipments 6/	665	722	371	967	856	762	829	542		
Season totals										
Domestic disappearance	3,304	3,376	3,329	3,540	3,624	4,058	4,069	4,688	5,000	
Exports and shipments 6/	930	953	721	1,308	1,165	1,106	1,357	947		
Total distribution	4,234	4,329	4,050	4,848	4,789	5,164	5,426	5,635		
Stocks September 30	298	308	677	618	920	578	297	462		
Price per pound	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Crude, tanks, Decatur	9.5	8.3	11.3	9.5	8.9	8.5	11.3	11.8		
SOYBEAN MEAL	Year beginning October									
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
Supply										
Stocks, October 1 7/	48	58	83	78	94	159	122	106	132	
Production	9,490	9,152	9,452	10,342	11,127	10,609	11,286	12,901	5/13,425	
Total supply	9,538	9,210	9,535	10,420	11,221	10,768	11,408	13,007	13,557	
Disposition										
October-February:										
Feed 8/	3,764	3,550	3,957	4,005	4,278	3,933	4,109	4,256	4,492	
Exports and shipments	244	373	287	464	578	581	847	1,322	1,160	
Stocks, March 1 7/	88	98	169	95	86	173	220	131	125	
March-September:										
Feed 8/	5,204	4,929	4,910	5,257	5,308	5,235	5,134	5,963	6,333	
Exports and shipments	268	276	303	600	898	897	1,212	1,332		
Season totals										
Feed 8/	8,968	8,479	8,867	9,262	9,586	9,168	9,243	10,219	10,825	
Exports and shipments	512	649	590	1,064	1,476	1,478	2,059	2,656		
Total distribution	9,480	9,128	9,457	10,326	11,062	10,646	11,302	12,875		
Stocks, September 30 7/	58	83	78	94	159	122	106	132		
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Price per ton										
Bulk, Decatur	55.80	55.55	60.60	63.60	71.30	71.00	70.20	81.50		

1/ September-February is partly estimated. Disposition through the rest of the crop year is forecast. 2/ Forecast. Production estimate based on March 1 planting intentions and average yield per acre with allowance for trend. 3/ Estimates prior to 1965. 4/ Preliminary. 5/ Based on a soybean crush of 565 millinn bushels and oil yield of 10.65 pounds per bushel and meal yield of 47.5. 6/ Beginning 1960 includes estimates of foreign donations. 7/ Stocks at processors' plants. 8/ Includes small quantities used for industrial purposes, estimated at 30,000 tons annually.

monthly crush of 48.6 million bushels during March-August this year, compared with 45.1 million last year.

Oil yield per bushel of soybeans processed during September-February 1966/67 averaged 10.6 pounds and meal yields averaged 47.6 pounds--approximately the same as in 1965/66. A comparsion of 1965 and 1966 data for Illinois indicated no significant difference in oil and protein content of the 1965 and 1966 Illinois soybean crops. Annual comparisons are not available for other States. See special article in January 1967 Fats and Oils Situation, FOS-236, pages 29 through 35, for additional information on oil and protein content of 1966 soybean crop.

Soybeans inspected for export from September 1, 1966, through March 24, 1967, totaled 158 million bushels compared with 163 million a year ago. Japan has taken more U.S. soybeans so far this year, but Canada and Western Europe have taken less. High prices during the summer and fall of 1966 have held down exports so far this year. Also, increased competition from foreign oils and the meals and the relatively mild winter in Europe this year have been factors.

The rate of soybean exports during the remainder of the current marketing year probably will average slightly larger than the April-August 1966 weekly rate of 3.8 million bushels. This outlook reflects the reduced availability of cottonseed and peanuts to European crushers and the lower level of U.S. soybean prices. Last year, U.S. soybean prices rose sharply during April-August. Accordingly, soybean exports for the entire 1966/67 marketing year may total around 265 million bushels, compared with 251 million the year before.

SOYBEAN OIL

Domestic Use at Record Level, But Exports Are Slow

The 1966/67 production of soybean oil is estimated at 6.0 billion pounds, compared with 5.8 billion last year. This estimate is based on a soybean crush of 565 million bushels and oil yield of 10.65 pounds per bushel.

Domestic use of soybean oil is estimated around 5.0 billion pounds, compared with 4.7 billion in 1965/66. Domestic disappearance during October-February 1966/67 totaled 2,060 million pounds, 5 percent more than a year earlier. Consumption of soybean oil in margarine during the 5 months was up 10 percent, use in cooking and salad oils was up 10 percent, and use in shortening was about unchanged. The main factors boosting soybean oil usage this year are (1) a sharp cutback in cottonseed oil disappearance; (2) lower soybean oil prices this year than last, with a wider price spread between cottonseed oil and soybean oil; and (3) further increases in population and consumer incomes.

Exports of soybean oil during October-February 1966/67 totaled 335 million pounds--16 percent less than the 397 million the year before.

Dollar exports of soybean oil through February were about 80 million pounds--down slightly from 1965/66. Most of the reduction in dollar sales was to Iran and Western Europe. There are indications that the United States is losing a major part of the Iranian market (119 million pounds in 1965/66) to Russian and East European sunflower oil, which is in record supply this year. Smaller dollar exports this year also reflect the price premium of U.S. soybean oil over Continental oil, which encourage the substitution of foreign oils. The continued presence of large supplies of competitive oils in world markets remains a factor affecting soybean oil prices. Usually, pressure from the competitive oils declines in the spring as these supplies diminish. This year, however, large quantities of Russian sunflower seeds and oil is a more important factor than in prior years.

Through February, U.S. exports of soybean oil under P.L. 480 totaled 255 million pounds--down 50 million pounds from the same 5 months in 1965/66. Under Title I, India has taken more oil so far this marketing year, but shipments to Pakistan are down. Barter exports of edible oils are being well maintained and purchases for foreign donations are well above the previous year's level. Thus far, export commitments under Titles I and IV total 425 million pounds and some additional programs may develop. Program exports are expected to pick up sharply in the second half of the current marketing year.

Total soybean oil exports (P.L. 480 and dollars) for the entire 1966/67 marketing year are expected to exceed the 1965/66 level of 923 million pounds.

Oil Stocks Increase Moderately; Prices Continue Below Last Year

Stocks of soybean oil (crude and refined) have increased modestly from 462 million pounds on October 1, 1966, to 575 million on March 1, 1967. Stocks on March 1 last year were 444 million pounds and on the same date in 1965 were 606 million pounds. Soybean oil stocks usually increase sharply during the heavy fall-winter crushing period. Some further buildup of soybean oil stocks may occur this spring before they start their seasonal decline. Last year, they rose to a seasonal peak of 598 million pounds on August 1, 1966.

Soybean oil prices (crude, Decatur) drifted downward from 10.9 cents in October 1966 to 10.1 in February 1967, averaging 10.5 cents for the entire period compared with 11.6 cents the year before. In addition to increased production of oil, other factors include keener competition in our traditional dollar markets and increased butter supplies in Europe. In March, soybean oil prices strengthed slightly to 10.3 cents per pound but were still a cent below March 1966. Soybean oil prices during the remainder of the marketing year probably will remain firm and may increase, as exports pick up and domestic supplies of competitive fats and oils are reduced.

SOYBEAN MEAL

Domestic Use Up 5 Percent, But Exports Fall Behind Last Year

The 1966/67 production of soybean meal is estimated at 13.4 million tons, compared with 12.9 million last year. This estimate is based on the season's soybean crush of 565 million bushels and meal yield of 47.5 pounds per bushel.

Domestic use of soybean meal is placed at 10.8 million tons, compared with 10.2 million tons in 1965/66. Domestic disappearance during October-February 1966/67 totaled 4.5 million tons--up over 5 percent from a year earlier and use is expected to continue high. The main factors boosting domestic use this year are the sharp reduction in cottonseed meal, and increases in poultry, hogs, and cattle on feed. U.S. imports of competitive fish meal (mainly from Peru and Chile) during October-February 1966/67 totaled 188,772 tons, up 200 percent from the 62,855 tons the previous year.

Soybean meal exports during October-February 1966/67 totaled 1.2 million tons-about a tenth less than the same months last year. Most of the drop has been in exports to Western Europe, where U.S. soybean meal has also faced increased competition from fish meal. Furthermore, this past winter in Europe has been fairly mild, and U.S. soybean meal prices have averaged higher than the previous year. Exports for the entire 1966/67 marketing year may fall slightly below the 2.6 million tons of last year, but still the second largest foreign movement of record.

Soybean meal prices (44 percent protein, bulk, Decatur) during October-February 1966/67 averaged $81 per ton, compared with $75 the same 5 months a year ago. Prices in March declined to $77 per ton but were still $6 higher than March 1966. Soybean meal prices during April-September probably will be more stable than a year ago, averaging well below the $89-per-ton level in the same period in 1966. Last year, monthly average soybean meal prices increased sharply from $71.50 per ton in March 1966 to a peak of $97.90 in August. Soybean meal production dropped more than seasonally during this period, while meal demand continued strong. Exports were well maintained in mid-1966 as European buyers found fish meal relatively unattractive. A similar price pattern is not in prospect this spring and summer.

COTTONSEED

Crushings Down Sharply From Year Ago

Marketings of 1966-crop cottonseed to crushing mills is virtually completed, as 93 percent of the crop was received during August-February 1966/67. Oil mills are crushing the short 1966 crop at a fast rate this season. Through February, crushings totaled 2.8 million tons, or 71 percent of the crop, compared with 4.0 million tons, or 65 percent for the previous season (table 5). Total crushings for all of 1966/67 are estimated at about 3.8 million tons, 35 percent less than in 1965/66. A crush this size will produce around 1.2 billion pounds of crude cottonseed oil and 1.8 million tons of cottonseed cake and meal. Last season, oil production totaled 1.9 billion pounds and meal production, 2.7 million tons. Some cottonseed mills, completing the shortest crushing season in years, will turn to processing soybeans if economically feasible for them to do so.

The total supply of cottonseed oil in 1966/67 is estimated at 1.5 billion pounds--about a third below the previous year and one of the smallest in the postwar period. The reduced oil supply stems primarily from the sharp cutback in 1966 cottonseed production, resulting from the 35 percent diversion of acreage under the 1966-Upland-Cotton Program and smaller cottonseed yields per acre. The 1966 cotton crop was 36 percent smaller than 1965's.

Domestic use of cottonseed oil is estimated at 1.2 billion pounds this year, compared with 1.7 billion in 1965/66. During August-February 1966/67, domestic disappearance totaled 730 million pounds--369 million pounds less than the year before. Usage of cottonseed oil in cooking and salad oils, shortening, and margarine is down sharply from a year ago, due to smaller supplies and higher prices. This trend is expected to continue, as manufacturers switch to cheaper soybean oil and animal fats. Increased domestic production of peanut oil is also providing keener competition. During August-February 1966/67 cottonseed oil exports totaled only 33 million pounds, compared with 264 million for the year-earlier period. This reflects reduced U.S. availabilities at higher prices and increased competition from foreign oils.

Oil Prices Trend Downward But Still Above Last Year

Cottonseed oil prices (crude, Valley) have declined steadily from 16.6 cents per pound in August 1966 to 11.9 in March 1967. During this period, they averaged 13.4 cents per pound, compared with 11.8 cents a year earlier. Higher prices this marketing year have restricted cottonseed oil domestic usage and exports, with a resultant increase in stock levels. Stocks of cottonseed oil (crude and refined) on March 1, 1967, totaled 471 million pounds--almost a third above this date last year. The price premium of cottonseed oil over soybean oil during August-March 1966/67 averaged 2.2 cents a pound, compared with less than a half cent in the year earlier period. The seasonal peak in cottonseed oil supply has now passed, and prices probably will remain firm. Nevertheless, prices of cottonseed oil during April-July 1967 are expected to average well below the 14.8 cents average for these months last year.

During August-February 1966/67, cottonseed meal prices (41 percent protein, bulk, Memphis) averaged $81 per ton, compared with $65 a year ago. However, prices

Table 5.--Cottonseed, cottonseed oil, and meal: Supply and disposition, crop years, 1958-66

Item	1958	1959	1960	1961	1962	1963	1964	1965	1966 1/
	Year beginning August								
COTTONSEED	Cottonseed								
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
Supply									
Stocks, August 1	175	100	105	188	280	234	168	156	204
Production	4,798	5,991	5,886	5,978	6,139	6,192	6,227	6,116	3,964
Total supply	4,973	6,091	5,991	6,166	6,419	6,426	6,395	6,272	4,168
Disposition									
Seed, feed and residual	430	487	446	340	342	364	306	325	303
August-February:									
Crushings	3,290	4,017	3,859	3,867	4,251	4,128	3,974	3,994	2,827
Exports	3	4	3	4	7	3	4	2	2
Supply remaining March 1	1,250	1,583	1,683	1,955	1,819	1,931	2,111	1,951	1,036
March-July:									
Crushings	1,149	1,474	1,493	1,672	1,582	1,758	1,952	1,740	923
Exports	1	4	2	3	3	5	3	7	3
Season totals									
Crushings	4,439	5,491	5,352	5,539	5,833	5,886	5,926	5,734	3,750
Exports	4	8	5	7	10	8	7	9	5
Stocks, July 31	100	105	188	280	234	168	156	204	110
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Price per ton									
Support 2/	41.00	34.00	34.00	45.00	44.00	44.00	44.00	43.00	48.00
Received by farmers	43.80	38.80	42.60	51.10	47.90	50.70	47.10	46.70	3/65.80
COTTONSEED OIL	Cottonseed oil								
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Supply									
Stocks, August 1	168	212	287	250	324	514	624	421	301
Production	1,518	1,861	1,808	1,865	1,942	1,981	1,999	1,896	1,250
Total supply	1,686	2,073	2,095	2,115	2,266	2,495	2,624	2,317	1,551
Disposition									
August-February									
Domestic disappearance	750	716	903	790	880	840	951	1,099	730
Exports and shipments 4/	91	364	218	271	175	245	447	265	34
Stock, March 1	437	480	463	489	671	804	547	366	471
March-July:									
Domestic disappearance	382	547	552	531	499	557	552	569	553
Exports and shipments 4/	251	158	172	199	199	238	254	83	
Season totals									
Domestic disappearance	1,132	1,263	1,455	1,321	1,379	1,387	1,503	1,668	1,200
Exports and shipments 4/	342	522	390	470	374	483	701	348	
Total distribution	1,474	1,787	1,845	1,791	1,754	1,870	2,204	2,016	
Stocks, July 31	212	287	250	324	514	624	421	301	
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Price per pound									
Crude, tank cars, Valley	11.4	10.0	11.6	12.4	10.4	9.9	11.5	12.8	
COTTONSEED MEAL	Cottonseed meal								
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
Supply									
Stocks, August 1 5/	112	116	190	143	134	190	249	168	134
Production	2,061	2,547	2,504	2,506	2,734	2,790	2,770	2,695	1,775
Imports	150	32	43	72	45	33	14	43	75
Total supply	2,323	2,696	2,738	2,721	2,913	3,013	3,033	2,906	1,984
Disposition									
August-February:									
Feed 6/	1,628	1,701	1,723	1,827	1,938	1,887	1,847	1,856	1,374
Exports and shipments	5	140	50	6	78	35	73	89	7
Stocks, March 1 5/	104	150	240	114	123	241	177	115	123
March-July:									
Feed 6/	574	658	815	753	687	822	873	807	501
Exports and shipments	1	7	7	1	19	20	72	20	
Season totals:									
Feed 6/	2,202	2,359	2,538	2,580	2,625	2,709	2,720	2,663	1,875
Exports and shipments	6	147	57	7	97	55	145	109	
Total distribution	2,208	2,506	2,595	2,587	2,722	2,764	2,864	2,772	
Stocks, July 31 5/	116	190	143	134	190	249	168	134	
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Price per ton									
Bulk, Memphis	60.55	55.65	55.10	59.25	65.60	63.35	59.90	68.80	

1/ August-February is partly estimated. Disposition through the rest of the year is forecast. 2/ Purchase Price, Basis Grade. 3/ Preliminary. 4/ Beginning 1960 includes estimates of foreign donations. 5/ Stocks at processors' plants. 6/ Includes small quantities of cottonseed meal used for fertilizer on farms of cotton growers, estimated at 30,000 tons annually.

have declined since August. Late March prices were around $75, compared with $69 last March. Domestic disappearance of cottonseed meal during August-February 1966/67 totaled 1.4 million tons--26 percent less than the year before. Domestic use is expected to continue sharply lower than last year, because of reduced supplies. Exports of cottonseed meal during August-February 1966/67 were only 6,200 tons compared with 83,900 tons a year ago. Imports of cottonseed meal are relatively small but are running higher this year than last.

USDA announced on February 2, 1967, that 1967-crop cottonseed will be supported at $48.00 per ton, basis (100) grade--unchanged from 1966. Current law provides that whenever the price of cottonseed or soybeans is supported the support price of the other must be kept at a level which enables these commodities to compete on equal terms in the market.

BUTTER

Production Up From Year Ago, But Domestic Use Still Declining

During October-February 1966/67, butter production (including farm) totaled 479 million pounds--8 percent above the comparable period last season when output was a record low. The increase resulted from slightly larger milk production than a year earlier, increased imports of dairy products, and some decline in fluid whole milk and cream use. These conditions made more milk available for butter production. Production is expected to continue higher and may total for the year a tenth above the 1.1 billion pounds in 1965/66.

Domestic disappearance of butter during October-February 1966/67 totaled 493 million pounds--about 13 percent below the 569 million of a year ago. For the entire 1966/67 marketing year, domestic disappearance is placed at 1,150 million pounds, compared with 1,197 million in 1965/66. During October-March 1966/67, wholesale butter prices (Grade A, 92 score, Chicago) averaged 67.0 cents per pound, 4.6 cents above a year ago. Since early December, wholesale butter prices have been at the CCC support purchase price of 66.5 cents. Butter prices in March 1967, at 66.5 cents, were about 8.5 cents below last year's average monthly high of 75 cents per pound in September. Prices this spring and summer likely will average near the CCC support purchase level. As of March 1, 1967, butter stocks totaled 53 million pounds--double those of last March 1. Commercial stocks were about the same as a year earlier, but Government stocks were up 21 million pounds.

LARD

Production Increasing; Prices Drop Sharply

Commercial hog slaughter during October-March 1966/67 is estimated about a fifth above the 36 million head last season. Commercial lard output for this period was 1.1 billion pounds--about 15 percent above a year ago, with lard yield per hog down more than ½ pound from last season. Lard production (including farm) for the entire 1966/67 marketing year is estimated around a tenth above the 1.9 billion in 1965/66 (see table 6).

During 1966/67, domestic disappearance of lard (including farm) is estimated at 1,750 million pounds--up from the 1,683 million the year earlier. The prospective increase will result from greater use in shortening and margarine manufacture, because prices for lard are substantially lower than edible vegetable oils this year.

From mid-October 1966 through late March, a total of 79 million pounds of lard-shortening was purchased for distribution to schools, needy families, and institutions. Also, about 27 million pounds of margarine had been bought for use in the latter 2 programs. Due to smaller supplies in 1965/66, lard was not purchased for these outlets (except for that contained in margarine and shortening). In that marketing year, USDA purchased 97 million pounds of shortening and 51 million pounds of margarine

Table 6.--Food fats and oils: Supply and disposition, 1957-66

Item	1957	1958	1959	1960	1961	1962	1963	1964	1965 1/	Forecast 1966
	Year beginning October									
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Stocks, October 1										
Butter	145	146	93	136	238	2/419	2/450	2/188	161	68
Lard	69	46	93	92	100	73	81	68	62	64
Cottonseed oil	146	154	190	217	170	296	488	433	236	202
Soybean oil	286	281	298	308	677	618	920	578	297	462
Other 3/	49	56	60	78	94	128	206	118	110	178
Sub-total	694	683	734	830	1,279	1,534	2,145	1,385	866	975
Finished products 4/	140	145	172	190	288	480	355	240	206	235
Total food fats and oils	834	828	906	1,021	1,567	2,014	2,500	1,625	1,072	1,210
Imports 3/	70	74	66	81	91	55	73	50	63	60
Production										
Butter	1,502	1,413	1,435	1,488	1,596	1,491	1,453	1,409	1,125	1,200
Lard	2,423	2,679	2,726	2,484	2,471	2,497	2,480	2,208	1,905	2,100
Cottonseed oil 5/	1,420	1,589	1,832	1,786	1,952	1,930	1,939	2,001	1,833	1,250
Soybean oil	3,800	4,251	4,338	4,420	4,790	5,091	4,822	5,146	5,800	6,025
Other 3/ 5/	678	767	771	863	923	1,057	1,208	1,318	1,467	1,550
Sub-total	9,823	10,700	11,102	11,041	11,731	12,066	11,902	12,082	12,130	12,125
Soybean exports (oil equiv.)	939	1,209	1,552	1,431	1,685	1,983	2,103	2,265	2,764	
Total food fats and oils	10,762	11,909	12,654	12,472	13,416	14,049	14,005	14,348	14,894	
Total supply	11,666	12,811	13,626	13,574	15,074	16,118	16,578	16,023	16,029	
Exports 6/										
Butter	36	19	22	9	7/19	7/131	7/319	150	24	
Lard	461	608	716	513	508	571	706	431	218	
Cottonseed oil 5/	250	406	506	7/371	7/474	7/392	7/586	643	272	
Soybean oil	804	930	953	7/721	7/1,308	7/1,165	7/1,106	1,357	947	
Other 3/ 5/	19	34	43	7/40	11	15	147	216	224	
Adjustment 8/	85	117	88	83	77	93	111	77	64	
Sub-total	1,655	2,114	2,328	1,737	2,397	2,367	2,975	2,874	1,749	
Soybeans (oil equivalent)	939	1,209	1,552	1,431	1,685	1,983	2,103	2,265	2,764	
Total exports	2,593	3,323	3,880	3,168	4,082	4,350	5,078	5,139	4,513	
Domestic use										
Butter	1,467	1,449	1,373	1,379	1,400	1,331	1,398	1,288	1,197	1,150
Lard 9/	1,994	2,024	2,005	1,968	1,985	1,908	1,789	1,788	1,683	1,750
Cottonseed oil	1,195	1,147	1,299	1,461	1,352	1,347	1,407	1,555	1,595	1,200
Soybean oil	3,051	3,304	3,376	3,329	3,540	3,624	4,058	4,069	4,688	5,000
Other 3/	719	796	773	912	968	1,040	1,230	1,162	1,218	1,300
Adjustment 8/	-85	-117	-88	-83	-77	-93	-111	-77	-64	
Total 9/	8,341	8,603	8,739	8,965	9,168	9,157	9,771	9,785	10,317	
Total (calculated net) 10/	8,336	8,576	8,721	8,867	8,976	9,282	9,886	9,819	10,346	
Total use for food 11/	8,145	8,389	8,438	8,560	8,602	8,849	9,607	9,285	9,958	
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
Per capita, civilian and military 12/										
Butter (fat content)	6.8	6.6	6.1	6.1	6.1	5.7	5.9	5.3	4.9	
Other	38.5	39.4	39.3	39.2	38.7	39.8	42.9	41.2	44.6	
Total (fat content)	45.3	46.0	45.4	45.3	44.8	45.5	48.8	46.5	49.5	

1/ Preliminary. 2/ Includes estimates of butter oil, ghee, and canned butter. 3/ Includes beef fats, peanut, corn, olive, safflower and sesame oils. 4/ Shortening, margarine, salad and cooking oils. 5/ Includes oil equivalent of oilseeds exported. 6/ Includes shipments. Butter, cottonseed oil and adjustments includes quantities from CCC stocks that are not reported in Census data. 7/ Includes estimates of foreign donations of fats and oils, not reported by Census. 8/ Includes exports of processed food oils not classified by kind, shortening and other secondary fats. 9/ Adjusted for estimated changes in stocks of farm lard. 10/ Adjusted to reflect changes in stocks of finished products. 11/ Excludes food fats used for non-food purposes, but includes non-food oils (mostly coconut and palm kernel) used in food. 12/ Adjusted for trade and changes in stocks of shortening, margarine and salad and cooking oils.

Table 7.--Butter, actual weight: Supply and disposition, 1935-66

Year	Supply						Disposition				
	Production			Imports	Stocks Jan. 1 1/	Total supply	Exports and shipments to U. S. Territories	Domestic disappearance			
								Total	Direct use as butter		
	Creamery	Farm	Total						Military procurement	Civilian	Civilian per capita
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Lb.
Average 1935-39	1,716	479	2,195	9	64	2,268	7	2,196	---	2,196	17.0
1940	1,837	403	2,240	1	55	2,296	11	2,244	---	2,244	17.0
1941	1,872	395	2,268	4	41	2,313	13	2,185	70	2,116	16.1
1942	1,764	366	2,130	20	114	2,264	24	2,217	124	2,092	15.9
1943	1,674	342	2,015	3	25	2,043	94	1,791	266	1,525	11.8
1944	1,489	330	1,818	2	158	1,978	97	1,853	321	1,532	11.9
1945	1,364	336	1,699	4	28	1,731	55	1,635	222	1,413	10.9
1946	1,171	331	1,502	7	41	1,550	16	1,510	54	1,456	10.5
1947	1,329	311	1,640	4	23	1,667	17	1,628	28	1,600	11.2
1948	1,210	293	1,504	2/	22	1,526	8	1,486	36	1,450	10.0
1949	1,412	276	1,688	2/	32	1,720	6	1,581	32	1,549	10.5
1950	1,386	262	1,648	2/	133	1,781	28	1,648	34	1,614	10.7
1951	1,203	240	1,443	2/	105	1,548	24	1,497	52	1,445	9.6
1952	1,188	214	1,402	2/	27	1,429	2	1,354	38	1,316	8.6
1953	1,412	195	1,607	2/	73	1,680	26	1,372	43	1,329	8.5
1954	1,449	179	1,628	1	282	1,911	57	1,475	65	1,410	8.9
1955	1,383	162	1,545	1	379	1,925	224	1,537	77	1,460	9.0
1956	1,413	140	1,553	3	163	1,719	184	1,510	70	1,439	8.7
1957	1,414	119	1,533	3	25	1,561	13	1,461	55	1,406	8.4
1958	1,390	96	1,486	2	87	1,575	38	1,468	50	1,418	8.3
1959	1,334	76	1,411	2	69	1,482	29	1,422	51	1,371	7.9
1960	1,373	62	1,435	3	31	1,468	11	1,382	50	1,332	7.5
1961	1,484	52	1,536	2	77	1,615	9	1,381	46	1,335	7.4
1962	1,537	42	1,579	2	4/225	1,806	3/42	1,405	64	1,341	7.3
1963	1,420	33	1,453	2	4/359	1,814	3/199	1,345	64	1,280	6.9
1964	1,442	26	1,468	2	4/271	1,741	3/307	1,362	66	1,296	6.8
1965	1,323	20	1,343	2	71	1,416	75	1,289	60	1,229	6.4
1966 5/	1,119	15	1,134	2	52	1,188	18	1,138	33	1,105	5.7
1967					32						

1/ Includes stocks held by U. S. Department of Agriculture. 2/ Less than 500,000 pounds. 3/ Includes estimates of butter, butter oil and ghee shipped under foreign donations program. 4/ Includes estimates of butter oil, ghee, and canned butter. 5/ Preliminary. 6/ Forecast. Totals computed from unrounded numbers.

Table 8.--Lard: Supply and disposition, 1935-66

Year	Supply						Disposition					
	Production				Stocks Jan. 1 1/	Total 2/	Exports and shipments			Domestic disappearance		
										Total	Direct use	
	Federally inspected	Other commercial	Farm	Total			Exports 3/	Shipments	Total		Total	Per civilian
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Lb.
Average 1935-39	944	686		1,630	96	1,726	166	26	192	1,430	1,424	11.0
1940	1,527	761		2,288	162	2,450	201	31	232	1,924	1,901	14.4
1941	1,526	702		2,228	294	2,522	393	31	424	1,900	1,819	13.8
1942	1,724	676		2,401	199	2,600	652	33	685	1,805	1,688	12.8
1943	2,080	785		2,865	110	2,976	757	39	796	1,884	1,679	13.0
1944	2,367	279	408	3,054	297	3,351	902	36	938	1,957	1,583	12.3
1945	1,311	335	420	2,066	456	2,522	651	21	672	1,722	1,509	11.7
1946	1,342	353	439	2,134	129	2,265	451	39	490	1,664	1,640	11.8
1947	1,722	277	403	2,402	110	2,512	383	34	417	1,929	1,792	12.6
1948	1,680	252	389	2,321	167	2,488	277	50	327	1,987	1,850	12.7
1949	1,923	270	341	2,534	173	2,707	617	50	667	1,910	1,744	11.8
1950	2,009	309	313	2,631	131	2,762	467	56	523	2,112	1,891	12.6
1951	2,225	342	296	2,863	127	2,990	689	54	743	2,143	1,855	12.3
1952	2,234	378	269	2,881	104	2,992	634	60	694	2,087	1,817	11.8
1953	1,812	310	233	2,355	211	2,566	423	53	476	2,016	1,772	11.4
1954	1,831	290	209	2,330	74	2,404	465	56	521	1,779	1,627	10.2
1955	2,140	312	208	2,660	104	2,764	562	57	620	1,998	1,639	10.1
1956	2,255	304	198	2,757	147	2,904	611	60	672	2,121	1,623	9.8
1957	2,080	287	180	2,547	112	2,659	501	62	563	1,994	1,589	9.4
1958	1,982	271	173	2,426	101	2,527	389	66	455	1,977	1,640	9.6
1959	2,309	300	171	2,780	95	2,875	605	68	673	2,078	1,536	8.8
1960	2,127	292	144	2,563	124	2,687	620	61	681	1,912	1,359	7.6
1961	2,118	266	133	2,517	94	2,611	417	69	485	2,015	1,396	7.7
1962	2,104	261	115	2,480	110	2,590	422	66	488	1,974	1,318	7.2
1963	2,117	256	103	2,476	128	2,604	538	57	594	1,891	1,193	6.4
1964	2,153	235	88	2,476	119	2,595	682	64	747	1,721	1.196	6.3
1965	1,772	208	70	2,050	127	2,177	251	75	325	1,790	1,230	6.4
1966 4/	1,696	202	33	1,931	62	1,993	158	63	220	1,672	1,077	5.6
1967					100							

1/ Factory and warehouse stocks as reported by Bureau of the Census. 1948 and 1951 include stocks held or in transit by U. S. Department of Agriculture. 2/ Includes imports, which were less than 500,000 pounds in all years except 1952, when 7 million pounds were imported. 3/ 1947-53, include shipments by CARE. 4/ Preliminary. 5/ Forecast.

Totals computed from unrounded numbers.

for distribution through these domestic outlets.

During October-February 1966/67, lard exports totaled 80 million pounds, compared with 67 million in the year-earlier period. Lard exports are expected to pick up as the season continues. For all of 1966/67, total exports (including shipments) are placed at around 0.3 billion pounds, compared with 0.2 billion in 1965/66. The United Kingdom is the largest single taker, accounting for around two-thirds of the total shipped abroad.

Lard prices (tanks, loose, Chicago) dropped from 10.7 cents per pound in October 1966 to 8.5 cents in March 1967, averaging 9.4 cents for the period. This was nearly one-fourth below the comparable period a year ago. The decline reflects increased lard production this year and the general price decline in food fats and oils. Lard prices probably have passed their seasonal lows for the marketing year. Currently, lard prices are running approximately 2 cents below soybean oil prices. At this time last season, prices for lard were around 1 cent higher than for soybean oil.

PEANUT OIL

Prices Declining; Disappearance Doubles

During August-February 1966/67, crushings of peanuts (shelled, raw basis) totaled 209 million pounds--up nearly a fourth from the comparable period last season. Because of the record 1966 crop, diversion of CCC peanuts for crushing is expected to continue heavy through the rest of the current marketing year. For all of 1966/67, total crushings are estimated at around 450 million pounds, compared with 374 million in 1965/66. A crush this size is expected to produce about 190 million pounds of crude peanut oil and around 125,000 tons of peanut meal (table 9).

Peanut oil prices (crude, Southeast mills) declined from 15.6 cents in August 1966 to 12.1 cents in March 1967, averaging 13.3 cents for the period--slightly above last season. The drop from the highs of last summer reflect greatly increased peanut oil output as well as the lower prices of other edible vegetable oils. During April-July 1967, peanut oil prices are expected to hold relatively steady, reflecting primarily the strong domestic usage which is prevailing this marketing year.

During August-February 1966/67, domestic disappearance totaled 104 million pounds, compared with 47 million in the like period a year ago. Peanut oil exports and shipments during August-February totaled about 1 million pounds, compared with 11 million last season. Peanut oil stocks on March 1, 1967, totaled 33 million pounds, not much changed from a year ago.

FLAXSEED

Prices Averaging Above Year Ago; Crush Lags

Flaxseed prices (No. 1, Minneapolis) during July-March 1966/67 have been relatively stable, ranging from a high of $3.20 per bushel last fall to a low of $3.13 in March 1967. For the entire period, they averaged $3.17--about 12 cents above the like period a year ago. Linseed oil prices during this period averaged 12.8 cents a pound--fractionally below these months last season. Flaxseed prices are expected to continue relatively stable over the balance of the current marketing year. The prospective 20 percent reduction in 1967 flaxseed acreage should provide some price strength later.

As of February 28, 1967, a total of 1.8 million bushels of 1966 crop flaxseed had been placed under the support program. The CCC also owned another 6.8 million, bringing the total to 8.6

Table 9.--Peanut oil: Supply, disposition and price, and oil equivalent of exports of peanuts for crushing, 1947-66

Year beginning August	Supply				Disposition		Peanuts (oil equivalent of exports for crushing)	Price per pound (crude, S.E. Mills)
	Production	Imports	Stocks Aug. 1	Total	Exports	Domestic disappearance		
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Cents
1947	139	1/	40	179	1	155	118	26.6
1948	141	1/	24	165	41	115	199	17.2
1949	184	---	7	191	61	107	48	14.3
1950	185	---	23	208	39	131	20	21.8
1951	130	---	38	168	42	108	1	19.0
1952	55	---	17	72	2	66	---	21.1
1953	83	2	5	90	9	62	68	18.2
1954	26	27	19	72	1	54	2	18.3
1955	75	11	16	102	2	68	---	16.8
1956	76	---	32	108	24	73	24	15.3
1957	67	3	12	82	4	68	5	16.3
1958	97	7	10	115	9	86	4	13.9
1959	86	---	21	107	12	81	11	14.2
1960	104	1/	14	118	2/12	82	12	14.7
1961	70	5	24	99	2/8	72	1	17.4
1962	86	1	18	105	3	68	1	13.5
1963	111	0	34	145	53	72	8	11.3
1964	141	1/	20	161	87	55	26	14.4
1965 3/	156	1/	20	176	23	100	46	13.2
1966	190		52	242		175		
1967								

Peanut oil: Utilization

Year beginning August	Food uses					Non-food uses				Domestic disappearance	
	Shortening	Margarine	Cooking and salad oils	Other	Total	Soap	Foots and loss	Other	Total	Reported consumption	Computed
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1947	61	15	NA	64	140	1/	10	4	15	92	155
1948	31	4	NA	64	99	1/	8	8	16	87	115
1949	9	1/	4/(50)	83	92	---	7	8	15	80	107
1950	18	1/	4/(54)	99	117	---	7	7	14	101	131
1951	21	1/	4/(46)	75	96	---	5	6	12	68	108
1952	5	2	4/(30)	51	58	---	4	4	8	34	66
1953	4	2	4/(15)	49	55	1/	4	4	8	24	62
1954	6	2	4/(18)	40	48	1/	4	2	6	26	54
1955	6	2	4/(15)	52	60	1/	3	5	8	22	68
1956	6	4	4/(23)	56	66	---	4	3	7	23	73
1957	6	3	4/(25)	51	60	---	5	2	7	25	68
1958	3	4	4/(22)	73	80	---	4	2	6	26	86
1959	4	5	35	31	75	---	5	1	6	63	81
1960	3	3	58	12	76	---	5	4	9	84	82
1961	2	3	60	12	76	---	4	4	8	84	72
1962	2	5	48	8	64	---	4	3	6	70	68
1963	6	7	55	7	75	---	3	3	6	80	72
1964	3	6	44	8	61	---	3	3	6	67	55
1965	7	6	88	8	109	---	4	4	8	118	100
1966											
1967											

Peanut cake and meal: Supply, disposition and price

Year beginning August	Supply				Disposition			Price per ton
	Production	Imports	Stocks, Aug. 1 5/	Total supply	Exports	Feed and other uses	Total disposition	45 percent protein, S.E. Mills
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	Dollars
1947	121.6	3.0	2.7	127.3	3.7	118.8	122.5	81.80
1948	112.5	1.0	4.8	118.3	19.0	98.1	117.1	60.05
1949	139.1	3.1	1.2	143.4	46.8	94.0	140.8	64.65
1950	147.6	4.3	2.6	154.5	27.7	121.8	149.6	63.65
1951	100.2	2.9	4.9	108.0	2.7	103.9	106.6	80.10
1952	43.5	5.8	1.4	50.7	6/	48.7	48.7	76.25
1953	63.6	.2	2.0	65.8	1.4	61.2	62.6	73.25
1954	23.3	.5	3.3	27.1	1.3	24.2	25.5	73.25
1955	54.4	---	1.6	56.0	11.4	38.8	50.2	54.20
1956	56.8	---	5.8	62.6	20.4	39.0	59.4	48.30
1957	51.2	---	3.2	54.4	3.3	49.3	52.6	53.85
1958	71.2	---	1.7	72.9	7/	70.7	70.7	57.40
1959	63.3	---	2.2	65.5	---	60.7	60.7	56.30
1960	76.4	---	4.8	81.2	---	77.9	77.9	55.35
1961	55.7	---	3.3	59.0	---	54.3	54.3	62.00
1962	65.5	---	4.7	70.2	---	67.5	67.5	66.90
1963	77.4	---	2.7	80.1	---	74.4	74.4	64.00
1964	96.3	---	5.7	102.0	---	99.4	99.4	64.95
1965 3/	103.3	---	2.6	105.9	---	102.7	102.7	76.78
1966 3/	125		3.2	128		125		
1967								

1/ Less than 500,000 pounds. 2/ Includes estimates of foreign donations not reported by Census. 3/ Preliminary and partly estimated. 4/ Bracketed figures represent peanut oil deodorized which is included in the "other" category. 5/ Stocks at processors' mills. 6/ Less than 50 tons. 7/ Data no longer separately reported.

million bushels. Loans will mature on April 30, 1967, in all States except in the major production area of Minnesota, Wisconsin, and North Dakota and South Dakota, where the date of maturity is May 31, 1967.

Flaxseed supplies for the current marketing year which began July 1, 1966, are placed at 39 million bushels--about 7 million below those of last year.

Crushings are estimated at around 22 million bushels--down slightly from last season. Exports may total 8 million bushels (nearly 5 million were shipped before the Great Lakes were closed for the winter). About 1 to 2 million bushels will be required for seeding the 1967 crop, leaving carryover stocks on July 1, 1967, at around 7 million bushels, with one-half likely held commercially. Also, CCC is expected to continue holding, on a comingled basis, the 80 million pounds of linseed oil (equivalent of 4 million bushels of flaxseed) acquired through a toll crush program for 1963-crop flaxseed.

Domestic disappearance of linseed oil during July-February 1966/67 totaled 217 million pounds, compared with 222 million a year ago. For the entire marketing year, domestic use is estimated at 325 million pounds, compared with 336 million in 1965/66. Exports during July-February 1966/67 totaled 96 million pounds--exactly double the 48 million of a year ago. Exports for the entire year are estimated at 140 million pounds, compared with 84 million last season.

From July 1, 1966, through late March, a total of 5.4 million bushels of flaxseed and 81.0 million pounds of linseed oil was registered for export under the Flaxseed and Linseed Oil Export Program. Under the program, CCC makes export subsidy payments in cash. The export subsidy (the difference between U.S. and world prices) has averaged 35 cents per bushel recently on flaxseed and 2 cents per pound on linseed oil.

INEDIBLE TALLOW

Domestic Use Increases; Current Prices 30 Percent Below Last Year

Inedible tallow and grease production for the 1966/67 marketing year is estimated at around 4.6 billion pounds--up slightly from 1965/66. The increase is attributable to increased cattle and hog slaughter, at heavier weights, than in the previous season.

Domestic use of inedible tallow and grease likely will total around 2.5 billion pounds. Exports are expected to be around 2.1 billion pounds. During October-February 1966/67, domestic use totaled 1,023 million pounds--up 8 percent from a year ago. On March 1, 1967, stocks totaled 484 million pounds--up considerably from the 446 million of last March 1.

Inedible tallow and grease exports during October-February 1966/67 totaled 863 million pounds--7 percent above the previous year. In the past 2 years, exports have been relatively stable at around the 2 billion pound level. This is due to relatively high prices, cutback in P.L. 480 programs, and competition from other foreign oils--primarily fish oil. However, with tallow prices moving lower again, exports are picking up, both commercially and under government programs. Since October 1, 1966, through February 1967, about 18 million pounds were shipped under Title IV of P.L. 480, compared with 2 million the previous year. Another 214 million remain to be shipped under the program--mostly Title I. The bulk of U.S. exports are for dollars. Western Europe and Japan are the major buyers.

Inedible tallow prices (prime, c.a.f. delivered, Chicago) have declined from 6.5 cents per pound in October 1966 to 5.1 cents in March 1967, averaging 5.8 cents for the period. The March 1967 price is 30 percent below a year ago. The decline reflects primarily the increase in tallow production and the buildup in stocks.

Table 10.--Imports and exports of fats, oils, oil-bearing materials and fat-and-oil products in terms of oil, averages 1951-55 and 1956-60 and calendar years 1964-66

Item	Imports for consumption					Exports 1/				
	Average					Average				
	1951-55	1956-60	1964	1965	1966	1951-55	1956-60	1964	1965	1966
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Food fats and oils										
Butter	.5	2.6	2.2	2.2	2.2	66.8	55.0	172.8	74.7	18.3
Lard	1.4	---	2/	2/	---	610.6	608.7	747.2	325.5	220.3
Beef fats	.2	.9	1.2	1.0	1.2	33.3	21.3	10.2	14.3	16.6
Total, edible animal fats	2.1	3.5	3.4	3.2	3.4	710.7	685.0	930.2	414.5	255.2
Corn oil	.3	7.0	---	---	10.7	.6	---	---	---	---
Cottonseed oil	.1	---	---	---	1.0	3/287.7	432.4	603.5	566.9	180.8
Cottonseed (17 percent)	---	---	---	---	---	4.2	2.9	2.9	1.8	3.3
Olive oil, edible	49.0	50.3	66.9	44.5	48.6	.1	---	---	---	---
Peanut oil	7.6	2.4	2/	2/	2/	17.7	10.8	81.4	61.1	15.2
Peanuts, shelled (43.5 percent)	---	---	---	---	---	18.2	10.1	13.9	46.4	27.5
Soybean oil	2/	---	2/	---	2/	197.3	836.8	1,273.6	1,241.6	893.5
Soybeans (18.3 percent)	2/	2/	2/	2/	2/	427.7	1,125.5	2,304.6	2,504.3	2,703.0
Other vegetable oils	6.1	7.9	13.4	13.2	14.8	35.8	20.7	54.2	7.2	6.1
Total, edible vegetable oils	63.1	67.6	80.3	57.7	75.1	989.3	2,439.2	4,334.1	4,429.3	3,829.4
Soap fats and oils										
Tallow, inedible	1.4	1.1	1.3	1.4	1.1	851.5	1,309.8	2,111.4	1,998.4	1,828.4
Greases	.9	.3	.5	.2	.2	137.1	120.5	287.6	128.8	146.2
Fish and fish liver oils non-medicinal	7.0	1.2	4.4	1.2	7.8	97.8	128.4	151.5	4/114.5	82.4
Marine mammal oils	39.2	43.2	58.9	77.2	58.2	.3	1.7	5.6	---	---
Olive oil, inedible	2.8	.5	.2	1.0	.8	.3	6.5	---	---	---
Palm oil	59.7	33.6	6.3	6.6	63.5	.3	---	---	---	---
Total, slow-lathering oils	111.0	79.9	71.6	87.6	131.6	1,087.3	1,566.9	2,556.1	2,241.7	2,057.0
Coconut oil	131.6	190.2	397.1	396.9	512.1	22.2	8.4	2.0	12.2	8.9
Copra (64 percent)	446.1	429.9	350.4	393.6	343.3	.1	.1	2/	---	---
Palm kernel oil	32.5	60.2	85.1	83.1	109.4	---	---	---	---	---
Total, lauric-acid oils	610.2	680.3	832.6	873.6	964.8	22.3	8.5	2.0	12.2	8.9
Drying oils										
Flaxseed (35.7 percent)	2/	2/	2/	2/	---	79.3	143.4	138.9	78.5	133.2
Linseed oil	2/	2/	2/	2/	2/	143.2	62.6	19.1	42.4	126.6
Oiticica oil	10.6	10.0	9.9	8.4	7.6	---	---	---	---	---
Tall oil	---	---	---	---	---	46.0	41.3	34.3	74.4	106.5
Tung oil	28.2	27.1	29.1	23.3	30.4	2.0	9.8	2.0	1.0	.8
Safflower seed (36 percent)	---	---	---	---	---	---	---	---	133.5	85.4
Total	38.8	37.1	39.0	31.7	38.0	270.5	257.1	194.3	329.8	452.5
Other industrial oils and fats										
Cashew nut shell liquid (oil)	10.5	6.8	---	---	---	---	---	---	---	---
Castor oil	96.0	103.5	96.4	129.5	104.1	1.0	2.2	1.1	---	---
Castor beans (46.5 percent)	54.1	10.7	2/	.5	.9	---	---	---	---	---
Fish-liver oils, medicinal	29.8	19.6	16.1	11.1	11.6	.4	.7	.6	---	---
Rapeseed oil	5.2	3.4	5.8	4.4	7.5	.2	---	---	---	---
Wool grease	6.8	6.4	7.5	7.4	6.0	.2	---	---	---	---
Other vegetable oils and fats, inedible	11.6	.1	13.6	14.1	14.7	8.0	16.5	52.1	69.3	62.5
Total	214.0	150.5	139.4	167.0	144.8	9.8	19.4	53.8	69.3	62.5
Other oilseeds, n.e.c. (20 percent) 5/	---	---	---	---	---	---	32.5	145.2	---	---
Other products										
Margarine (fat content)	.1	---	---	---	---	6.4	7.6	7.2	6.5	11.0
Shortening	2/	---	---	---	---	19.5	25.9	21.5	45.3	41.2
Cooking and salad oils	---	---	---	---	---	2.4	25.5	35.8	---	---
Salad products (fat content)	---	---	---	---	---	1.6	3.2	4.3	7.0	8.5
Soap (fat content)	.8	1.1	2.2	2.6	2.4	29.4	22.1	19.8	31.2	35.9
Fatty acids	2.7	1.2	7.1	7.6	9.6	29.2	34.0	64.3	41.1	29.6
Total	3.6	2.3	9.3	10.2	12.0	88.5	118.3	152.9	131.1	126.2
Grand total 6/	1,042.8	1,021.2	1,175.6	1,230.9	1,369.6	3,178.4	5,126.9	8,368.5	7,628.0	6,791.4

1/ Includes re-exports and shipments. Beginning 1965, includes foreign donations.
2/ Less than 50,000 pounds.
3/ Includes exports from CCC holdings that are not reported by Census.
4/ Beginning January 1965, includes marine mammal oil and fish-liver oil.
5/ Prior to January 1965, 30% mainly safflower oil.
6/ Computed from unrounded numbers.

Also, the general drop in prices of other major animal fats and vegetable oils have exerted pressure on tallow prices. During April-September 1967, prices are expected to continue below these same months last season.

1966 U.S. Fats and Oils Exports Exceed Imports By 5.4 Billion Pounds

U.S. exports of all fats and oils (including oil equivalent of oilseeds) totaled 6.8 billion pounds in calendar year 1966, while U.S. imports totaled 1.4 billion pounds, the largest since 1947 (table 10). This gave the United States a 5.4 billion pound favorable balance of trade, the smallest since 1962. The record high of 7.2 billion pounds was achieved in 1964. The narrowed margin in 1966 was due primarily to smaller exports of vegetable oils, butter, lard, and inedible tallow. Also, imports of palm oil, palm kernel oil and coconut oil increased sharply in 1966. In the pre-World War II period (1937-41 average), the U.S. was a net importer of 1.5 billion pounds of fats and oils.

Domestic Use of Food Fats In 1966 At Record Levels

In calendar year 1966, civilians took a record 9.4 billion pounds of food fats and oils (including only the fat content of butter and margarine) as measured by domestic disappearance--nearly 3 percent above the 9.2 billion in 1965 (table 11). This use totaled 48.6 pounds per person--nearly a pound above the previous year and a record. Increases in shortening, margarine, and cooking and salad oils more than offset declines in butter and lard. During 1966, retail prices of all food fats and oils products averaged 4 percent above the 1965 levels. (See tables 7 and 8 for 1966 statistics on butter and lard, and tables 12 through 16 for margarine, shortening, and salad and cooking oil.)

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REPRINTS ARE AVAILABLE OF SPECIAL ARTICLES IN THE FATS AND OILS SITUATION

Because of their lasting and widespread interest, special articles appearing in the Fats and Oils Situation are reprinted, and become a part of the ERS series. Some of the more recent papers are:

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Factors Affecting Soybean Oil and Meal Yields, by George W. Kromer. ERS-338, January 1967.

U.S. Cottonseed Industry Adjusting to Short 1966 Crop, by George W. Kromer. ERS-307, August 1966.

Butter and Lard: Factors Associated With the Current Downtrend in Production, by George W. Kromer. ERS-289, March 1966.

Trends in Corn Oil Production and Use, 1947-65, by George W. Kromer. ERS-280, January 1966.

Growth in U.S. Soybean Processing Capcity, by George W. Kromer. ERS-269, November 1965.

Copies may be obtained by writing to Division of Information, Office of Management Services, U.S. Department of Agriculture, Washington, D. C. 20250

Table 11.--Fats and oils: Use in products for civilian consumption, 1935-66

Year	Food products													
	Butter (Actual weight)		Lard, excluding use in margarine, shortening, and nonfood products		Margarine (Actual weight)		Shortening		Cooking and salad oils 1/		Edible oils 2/		All food products 3/	
	Total	Per capita	Total	Per capita	Total	Per capita	Total	Per capita	Total	Per capita	Total	Per capita	Total	Per capita
	Mil. lb.	Lb.	Mil. lb.	Lb.	Mil. lb.	Lb.	Mil. lb.	Lb.	Mil. lb.	Lb.	Mil. lb.	Lb.	Mil. lb.	Lb.
Average														
1935-39	2,196	17.0	1,424	11.0	371	2.9	1,519	11.8	4/		844	6.5	5,857	45.4
1940	2,244	17.0	1,901	14.4	318	2.4	1,185	9.0	4/		983	7.4	6,131	46.4
1941	2,116	16.1	1,819	13.8	364	2.8	1,367	10.4	4/		1,087	8.2	6,270	47.6
1942	2,092	15.9	1,688	12.8	364	2.8	1,237	9.4	4/		996	7.6	5,900	44.9
1943	1,525	11.8	1,679	13.0	501	3.9	1,234	9.6	4/		861	6.7	5,411	42.0
1944	1,532	11.9	1,583	12.3	497	3.9	1,147	8.9	4/		886	6.9	5,255	40.9
1945	1,413	10.9	1,509	11.7	525	4.1	1,175	9.1	4/		801	6.2	5,049	39.1
1946	1,456	10.5	1,640	11.8	533	3.9	1,409	10.2	4/		882	6.4	5,537	40.0
1947	1,600	11.2	1,792	12.6	713	5.0	1,338	9.4	4/		988	6.9	5,986	42.0
1948	1,450	10.0	1,850	12.7	887	6.1	1,410	9.7	4/		1,037	7.1	6,183	42.6
1949	1,549	10.5	1,744	11.8	851	5.8	1,435	9.7	4/		1,163	7.9	6,287	42.6
1950	1,614	10.7	1,891	12.6	918	6.1	1,656	11.0	4/		1,297	8.6	6,890	45.9
1951	1,445	9.6	1,855	12.3	996	6.6	1,365	9.0	4/		1,168	7.7	6,366	42.1
1952	1,316	8.6	1,817	11.8	1,219	7.9	1,562	10.2	4/		1,339	8.7	6,765	44.1
1953	1,329	8.5	1,772	11.4	1,256	8.1	1,597	10.2	4/		1,415	9.1	6,876	44.1
1954	1,410	8.9	1,627	10.2	1,346	8.5	1,870	11.8	4/		1,514	9.5	7,238	45.5
1955	1,460	9.0	1,639	10.1	1,323	8.2	1,863	11.5	4/		1,704	10.5	7,447	45.9
1956	1,439	8.7	1,623	9.8	1,354	8.2	1,797	10.9	4/		1,800	10.9	7,475	45.2
1957	1,406	8.4	1,589	9.4	1,446	8.6	1,756	10.4	4/		1,824	10.8	7,469	44.4
1958	1,418	8.3	1,640	9.6	1,549	9.0	1,935	11.3	4/		1,804	10.5	7,770	45.3
1959	1,371	7.9	1,536	8.8	1,604	9.2	2,196	12.6	1,743	10.0	202	1.2	8,068	46.2
1960	1,332	7.5	1,359	7.7	1,676	9.4	2,238	12.6	1,865	10.5	169	1.0	8,055	45.2
1961	1,335	7.4	1,396	7.7	1,708	9.4	2,311	12.8	1,899	10.5	123	.7	8,176	45.1
1962	1,341	7.3	1,318	7.2	1,709	9.3	2,469	13.4	2,131	11.6	24	.1	8,402	45.7
1963	1,280	6.9	1,193	6.4	1,785	9.6	2,525	13.5	2,346	12.6	104	.5	8,641	46.3
1964	1,296	6.8	1,196	6.3	1,835	9.7	2,598	13.7	2,724	14.4	---	---	8,997	47.5
1965	1,229	6.4	1,230	6.4	1,891	9.9	2,695	14.0	2,542	13.2	175	.9	9,152	47.7
1966 5/	1,105	5.7	1,077	5.6	2,038	10.5	3,079	15.9	2,727	14.1	---	---	9,413	48.6

Year	Industrial products								All products		
									Weight		
	Soap 6/		Drying oil products 7/		Other industrial products 6/		All industrial products		Including actual weight of butter and margarine	Including only fat content of butter and margarine	Per capita (fat content)
	Total	Per capita	Total	Per capita	Total	Per capita	Total	Per capita			
	Mil. lb.	Lb.	Mil. lb.	Lb.	Mil. lb.	Lb.	Mil. lb.	Lb.	Mil. lb.	Mil. lb.	Lb.
Average											
1935-39	1,638	12.8	774	6.0	440	3.4	2,852	22.2	9,198	8,709	67.5
1940	1,867	14.1	807	6.1	412	3.1	3,085	23.4	9,716	9,217	69.8
1941	2,275	17.3	1,066	8.1	626	4.7	3,967	30.1	10,720	10,238	77.7
1942	1,982	15.1	949	7.2	645	4.9	3,576	27.2	9,953	9,478	72.1
1943	1,844	14.3	839	6.5	781	6.1	3,462	26.9	9,262	8,871	68.8
1944	2,059	16.0	852	6.6	803	6.2	3,716	28.9	9,361	8,970	69.8
1945	1,844	14.3	807	6.3	936	7.3	3,587	27.8	9,010	8,636	66.9
1946	1,724	12.5	914	6.6	863	6.2	3,502	25.3	9,424	9,041	65.3
1947	2,234	15.7	1,007	7.1	882	6.2	4,126	28.9	10,557	10,113	70.9
1948	2,039	14.0	1,071	7.4	836	5.8	3,946	27.2	10,580	10,129	69.8
1949	1,758	11.9	964	6.5	856	5.8	3,576	24.2	10,318	9,863	66.8
1950	1,804	12.0	1,182	7.9	1,153	7.7	4,140	27.6	11,416	11,030	73.4
1951	1,505	10.0	1,129	7.5	1,217	8.1	3,850	25.5	10,679	10,216	67.6
1952	1,352	8.8	1,010	6.6	1,231	8.0	3,593	23.4	10,846	10,358	67.5
1953	1,291	8.3	1,064	6.8	1,274	8.2	3,631	23.3	11,001	10,507	67.4
1954	1,177	7.4	1,001	6.3	1,349	8.5	3,527	22.2	11,295	10,765	67.7
1955	1,115	6.9	1,104	6.8	1,621	10.0	3,840	23.7	11,829	11,287	69.5
1956	1,038	6.3	1,089	6.6	1,835	11.1	3,962	24.0	11,976	11,437	69.2
1957	994	5.9	1,015	6.0	1,950	11.6	3,959	23.5	11,980	11,428	67.9
1958	914	5.3	920	5.4	2,155	12.6	3,989	23.3	12,335	11,759	68.6
1959	862	4.9	910	5.2	2,462	14.1	4,235	24.3	12,889	12,303	70.5
1960	860	4.8	821	4.6	2,590	14.5	4,271	24.0	12,911	12,325	69.2
1961	830	4.6	846	4.7	2,546	14.1	4,223	23.3	12,994	12,399	68.4
1962	774	4.2	867	4.7	3,073	16.7	4,714	25.6	13,706	13,117	71.4
1963	775	4.2	852	4.6	3,154	16.9	4,780	25.6	14,030	13,422	71.9
1964	773	4.1	888	4.7	3,313	17.5	4,972	26.3	14,574	13,969	73.8
1965	706	3.7	895	4.6	3,254	17.0	4,855	25.3	14,618	14,008	73.0
1966 5/	862	4.5	911	4.7	3,561	18.4	5,334	27.6	15,350	14,747	76.1

1/ Fully processed liquid vegetable oils. Including use in mayonnaise and salad dressings, potato products, bakery products, and in fish canning, etc. Not reported separately prior to 1959. 2/ Mainly salad and cooking oils prior to 1959. Beginning with 1959 includes all food fats and oils used other than butter, lard, margarine, shortening or cooking and salad oils. 3/ Including only the fat content of butter, estimated at 80.5 percent of total weight, and of margarine for which the fat content varies slightly each year. 4/ Not available. Included in "edible oil" category. 5/ Preliminary. 6/ Fat equivalent of soap used in synthetic rubber, is included with "other industrial products." Prior to 1949, most of the fats and oils used in synthetic detergents is believed to have been reported as used in soap. Beginning 1949, this use of fats and oils is entirely included in "other industrial products." 7/ Paints, varnishes, floor coverings, oil cloth, printing inks, core oils, synthetic resins, insulation, linings, packings, coated fabrics (other than oil cloth), caulking and other protective coatings.

Totals and per capita estimates computed from unrounded numbers.

Table 12.--Margarine (actual weight): Supply and disposition, 1935-66

Year	Supply					Disposition			
	Production			Stocks, Jan. 1	Total	Exports and shipments	Domestic disappearance		
							Military	Civilian 1/	
	Colored	Uncolored	Total					Total	Per capita
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Lb.
Average 1935-39	2	370	372	---	372	1	---	371	2.9
1940	2	318	320	---	320	1	---	318	2.4
1941	5	363	368	---	368	5	---	364	2.8
1942	65	361	426	---	426	32	---	364	2.8
1943	116	498	614	---	614	2/ 109	2	501	3.9
1944	108	481	588	---	588	93	1	497	3.9
1945	99	515	614	---	614	2/83	14	525	4.1
1946	58	514	573	---	573	52	5	533	3.9
1947	59	687	746	---	746	3/31	6	713	5.0
1948	96	812	908	---	908	3/16	5	887	6.1
1949	177	685	862	---	862	3/7	4	851	5.8
1950	500	437	937	13	950	3/7	11	918	6.1
1951	829	212	1,041	14	1,055	3/6	34	996	6.6
1952	1,156	130	1,286	19	1,305	3/7	54	1,219	7.9
1953	1,228	64	1,292	25	1,317	3/9	30	1,256	8.1
1954	4/	4/	1,364	22	1,386	8	5	1,346	8.5
1955	---	---	1,334	27	1,361	8	6	1,323	8.2
1956	---	---	1,370	24	1,394	9	4	1,354	8.2
1957	---	---	1,463	28	1,490	10	8	1,446	8.6
1958	---	---	1,573	26	1,599	9	3	1,549	9.0
1959	---	---	1,611	38	1,649	10	2	1,604	9.2
1960	---	---	1,695	34	1,729	10	11	1,676	9.4
1961	---	---	1,724	33	1,756	8	7	1,708	9.4
1962	---	---	1,726	33	1,759	9	2	1,709	9.3
1963	---	---	1,794	39	1,833	9	2	1,785	9.6
1964	---	---	1,857	36	1,893	9	2	1,835	9.7
1965	---	---	1,904	48	1,952	8	11	1,891	9.9
1966 5/			2,110	42	2,152	14	46	2,038	10.5
1967	---	---		53					

1/ Prior to 1950 based upon data from Bureau of Internal Revenue. 2/ Includes American Red Cross procurement for prisoner-of-war packages. 3/ Includes estimated quantities exported in food packages through CARE and other nongovernmental relief agencies; does not include quantities mailed abroad by individuals. 4/ Breakdown between colored and uncolored not available beginning with 1954. Production mainly colored since 1953. 5/ Preliminary.

Totals and per capita computed from unrounded numbers.

Table 13.--Margarine: Fats and oils used in manufacture, 1935-66

Year	Vegetable oils						Animal fats and oils		Vegetable stearine 1/	Total 2/
	Soybean oil	Cotton-seed oil	Peanut oil	Corn oil	Coconut oil	Other	Lard	Beef fats		
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average 1935-39	32	125	3	1	105	15	2	20	---	303
1940	87	116	2	3/	22	6	5	19	3/	257
1941	76	150	2	1	30	6	8	24	---	297
1942	133	167	1	2	3	3	8	29	---	346
1943	198	252	5	6	0	4	11	24	3/	500
1944	211	215	12	11	0	3/	10	17	1	478
1945	207	254	10	9	0	3/	6	13	---	499
1946	201	223	12	7	15	---	2	5	---	465
1947	228	323	17	7	21	---	3	8	---	607
1948	255	453	11	1	5	2	3	6	---	736
1949	257	431	3/	1	3/	---	4	7	---	701
1950	312	418	7	1	---	2	4	9	11	764
1951	473	334	16	4	1	2	4	7	11	851
1952	652	354	3	3/	---	---	5	8	24	1,046
1953	726	275	2	1	7	2	8	13	12	1,049
1954	665	397	2	3/	5	1	7	10	17	1,106
1955	746	278	2	3/	6	1	13	9	16	1,075
1956	752	283	3	1	8	1	31	6	24	1,111
1957	874	237	3	3/	5	3	25	9	24	1,182
1958	1,070	145	4	1	4	2	16	8	19	1,269
1959	1,094	124	3	20	4	3	36	8	4/	1,291
1960	1,105	136	4	55	4	1	56	6	---	1,367
1961	1,062	139	3	89	3	5/11	72	6	---	1,386
1962	1,058	106	4	99	5	43	70	10	---	1,394
1963	1,049	104	4	136	4	58	84	11	---	1,451
1964	1,139	101	10	150	6	5	64	25	---	1,500
1965	1,112	114	4	161	5	40	90	9	---	1,535
1966 6/	1,294	107	6	157	13	56	83	5	---	1,720
1967										

1/ Most of the vegetable stearine used in margarine prior to 1950 was included with the primary oil. 2/ Includes 2 million pounds of secondary oils other than vegetable stearine in 1952, 3 million in 1953, 1954, 1955 and 1956, and 2 million in 1957 and 1958. 3/ Less than 500,000 pounds. 4/ Not reported separately beginning 1959. 5/ Beginning 1961 includes some safflower oil. 6/ Preliminary.

Totals computed from unrounded numbers.

Table 14.--Shortening: Supply and disposition, 1935-66 1/

Year	Supply				Disposition			
						Domestic disappearance		
						Military excluding relief	Civilian	
	Production	Imports	Stocks, Jan. 1	Total supply	Exports and shipments		Total	Per capita
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Lb.
Average 1935-39	1,529	4	43	1,576	8	---	1,519	11.8
1940	1,190	1	57	1,247	9	---	1,185	9.0
1941	1,409	1	54	1,465	12	32	1,367	10.4
1942	1,300	2/	53	1,354	15	57	1,237	9.4
1943	1,438	2/	46	1,483	81	102	1,234	9.6
1944	1,363	2/	67	1,431	19	212	1,147	8.9
1945	1,441	2/	53	1,494	52	223	1,175	9.1
1946	1,450	2/	44	1,494	26	18	1,409	10.2
1947	1,374	2/	41	1,416	29	-5	1,338	9.4
1948	1,441	2/	53	1,494	8	8	1,410	9.7
1949	1,487	2/	67	1,554	26	12	1,435	9.7
1950	1,710	2/	82	1,792	13	20	1,656	11.0
1951	1,403	2/	104	1,507	13	28	1,365	9.0
1952	1,611	2/	101	1,713	10	47	1,562	10.2
1953	1,675	---	94	1,768	16	62	1,597	10.2
1954	1,961	---	94	2,055	17	45	1,870	11.8
1955	1,975	---	120	2,095	42	47	1,863	11.5
1956	1,842	---	143	1,985	12	54	1,797	10.9
1957	1,808	---	122	1,930	17	37	1,756	10.4
1958	2,006	---	120	2,126	33	30	1,935	11.3
1959	2,252	---	127	2,380	36	32	2,196	12.6
1960	2,313	---	115	2,428	31	39	2,238	12.6
1961	2,456	---	120	2,576	3/92	51	2,311	12.8
1962	2,689	---	123	2,812	3/139	39	2,469	13.4
1963	2,584	---	165	2,749	3/66	39	2,525	13.5
1964	2,664	---	119	2,783	21	43	2,598	13.7
1965	2,792	---	121	2,913	45	57	2,695	14.0
1966 4/	3,181	---	117	3,298	41	59	3,079	15.9
1967			119					

1/ Totals and per capita computed from unrounded numbers. Various adjustments have been made in exports, military and civilian use in 1941-49 primarily because of government programs. 2/ Less than 500,000 pounds. 3/ Includes estimates of foreign donations, not reported by Census. 4/ Preliminary.

Table 15.--Shortening: Fats and oils used in manufacture, 1935-66

Year	Vegetable oils							Animal fats and oils		Total primary fats and oils	Vegetable stearine	Glycerides	Total primary and secondary fats and oils
	Cotton-seed oil	Soybean oil	Coconut oil	Peanut oil	Corn oil	Other 1/	Total	Lard	Beef fats				
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average 1935-39	1,014	119	28	68	1	195	1,425	4	117	1,546	---		1,546
1940	823	212	18	23	1	44	1,121	17	58	1,196	---		1,196
1941	889	216	22	82	2/	93	1,302	51	65	1,418	---		1,418
1942	694	336	5	38	4	58	1,135	62	88	1,285	3/24		1,309
1943	572	568	2/	51	6	4/25	1,222	36	112	1,370	88		1,458
1944	490	620	2/	61	5	10	1,186	39	85	1,310	78		1,388
1945	487	683	2/	51	2	23	1,246	23	106	1,375	81		1,456
1946	502	744	18	42	3	10	1,319	20	58	1,397	69		1,466
1947	300	705	87	65	3	1	1,161	101	64	1,326	70		1,396
1948	321	708	48	56	4	6	1,143	114	45	1,300	101		1,403
1949	532	713	20	12	1	3	1,281	118	31	1,430	64		1,494
1950	549	841	0	12	1	27	1,430	177	31	1,638	89		1,727
1951	335	731	20	21	1	25	1,133	200	23	1,356	48		1,405
1952	388	851	33	6	1	2	1,281	232	34	1,547	66		1,613
1953	376	903	2	4	1	4	1,290	227	46	1,563	82	35	1,681
1954	640	918	15	5	1	20	1,599	142	89	1,830	99	39	1,969
1955	439	930	4	6	3	15	1,397	334	118	1,849	99	40	1,988
1956	323	782	6	6	2	8	1,127	459	141	1,727	90	38	1,855
1957	272	796	8	6	4	3	1,089	376	226	1,691	95	37	1,824
1958	239	1,055	12	5	3	2	1,316	318	252	1,886	86	39	2,011
1959	320	1,143	20	1	5	5	1,494	493	257	2,244	5/	5/	2,244
1960	365	1,169	10	2	4	3	1,553	480	268	2,302	5/	5/	2,302
1961	356	1,160	26	3	14	22	1,581	530	348	2,459	5/	5/	2,459
1962	367	1,362	27	1	7	23	1,787	571	338	2,696	5/	5/	2,696
1963	330	1,228	19	3	3	22	1,605	594	413	2,611	5/	5/	2,611
1964	378	1,388	18	5	8	19	1,817	446	430	2,693	5/	5/	2,693
1965 6/	403	1,471	20	3	8	19	1,924	456	388	2,768	5/	5/	2,768
1966 6/	370	1,735	38	14	8	36	2,201	491	491	3,184	5/	5/	3,184
1967													

1/ Includes fish oils which have been negligible in recent years, beginning 1961 includes some safflower oil. 2/ Less than 500,000 pounds. 3/ October-December quarter only. 4/ Includes 7 million pounds of linseed oil. 5/ Not reported separately beginning 1959. 6/ Preliminary.

Table 16.--Salad and cooking oil: Supply, disposition and oils utilized, 1959-66

Item	1959	1960	1961	1962	1963	1964	1965	1966 1/	1967	1968
					-- Million pounds --					
Supply										
Stocks, January 1	56	53	60	200	273	145	119	86		
Production	1,808	1,915	2,124	2,532	2,359	2,846	2,773	2,947		
Imports 2/	54	51	59	58	33	67	44	49		
Total supply	1,918	2,019	2,243	2,790	2,665	3,058	2,936	3,082		
Disposition										
Domestic use	1,512	1,647	1,690	2,043	2,080	2,280	2,428	2,511		
Exports 3/	353	312	353	474	440	659	422	488		
Total disposition	1,865	1,959	2,043	2,517	2,520	2,939	2,851	2,999		
Stocks, December 31	53	60	200	273	145	119	86	83		
Oils used in manufacture of salad and cooking oils for domestic use										
Soybean oil 4/	583	648	759	1,084	975	1,140	1,226	1,403		
Cottonseed oil 4/	606	706	748	716	688	781	830	718		
Corn oil	272	247	210	210	202	241	239	217		
Peanut oil	40	28	76	46	55	50	53	115		
Safflower oil	---	---	---	6	27	20	9	13		
Total 4/	1,501	1,629	1,793	2,062	1,947	2,231	2,357	2,466		

1/ Preliminary.

2/ Olive oil only.

3/ Refined and further processed cottonseed oil, soybean oil, and miscellaneous vegetable oils. Includes foreign donations.

4/ Excludes exports of refined and further processed cottonseed oil and soybean oil.

FATTY ACIDS; AN EXPANDING MARKET FOR FATS AND OILS

by

GEORGE W. KROMER

U.S. production of fatty acids (all grades) has increased sharply from 462 million pounds in 1958 to a record 1,134 million pounds in 1966, according to Census data (table 17). A further increase to around 1,200 million pounds is estimated for 1967. The growth has been stimulated by new uses and improved processing techniques. Accordingly, the use of fats and oils in producing fatty acids has risen sharply. Inedible tallow and grease and tall oil currently comprise about 90 percent of the total raw materials used in fatty acid production in the United States.

The potential of fatty acids and their chemical derivatives continues to expand in almost every segment of today's industry in a wide array of products. Fatty acids are usually intermediates used in the further manufacture of everyday products in which they lose their identity, and they are generally unknown to the ultimate consumer. Fatty acids and derivatives are used in foods, emulsifiers, soap and detergents and other surface active agents, protective coatings, textile processing, rubber manufacture, lubricants, pharmaceuticals, cosmetics and toiletries, plastics and plasticizers, metallic soaps and greases, mining, metal working, waxes, candles, leather, printing ink, paper coatings, photographic supplies, napalm (jellied gasoline) and other miscellaneous items. Unfortunately, detailed data on the use of fatty acids in end-products are not available.

SOURCE OF FATTY RAW MATERIALS

Raw materials for fatty acid production come from (1) fats and oils obtained by rendering and extraction, (2) byproduct fatty material from degumming, refining, deodorizing, bleaching, and other fat recovery and purification processes; and (3) byproduct from the manufacture of paper by the sulfate or kraft process (tall oil). The principal fats used in fatty acid production are: (1) Inedible tallow and grease; (2) tall oil; and (3) refining foots or soapstock obtained as a byproduct of the refining of edible vegetable oils.

Fatty acids make up about nine-tenths of the weight of the fats and oils (excluding tall oil) from which they are obtained. Glycerine represents around a tenth of the weight of the fats and oils from which it is split.

Fatty acids from low-priced vegetable-oil foots are limited to the raw material supply produced by the refining and purification of vegetable oils. In recent years, improvements in oil extraction and refining techniques and the alternative market of adding acidulated soapstock to animal feeds has reduced the volume of this raw material available for fatty acid production. This tightens the availability of a low cost fatty material already in limited supply. Crude vegetable oils, as distinct from foots, have been constantly priced above inedible tallow and grease.

Fatty acid production historically has been associated with soap and candle production and the up-grading of byproducts from other fat processing operations. But with improved processing techniques (mainly continuous fat-splitting and fractional distillation) closely akin to procedures used in the chemical industries, large nonfat processors have entered the field. As producers of industrial chemicals, the fatty acid industry has become more decentralized.

In recent years, tall oil has become an important source material for fatty acids. Crude tall oil contains around 7 percent neutral materials and

Table 17.--Fatty acids (all grades): Supply and disposition, 1943-67

Calendar year	Supply				Disposition	
	Production 1/	Imports	Stocks, Jan. 1 2/	Total	Exports	Domestic disappearance
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1943	516	4	53	573	7	502
1944	541	2	64	607	5	547
1945	588	2	55	645	4	590
1946	621	1	51	673	3	611
1947	474	1	59	534	27	465
1948	425	1	42	468	25	403
1949	498	2	40	540	53	429
1950	651	3	58	712	60	584
1951	595	3	68	666	50	536
1952	548	4	80	632	40	517
1953	512	3	75	590	24	491
1954	500	3	75	578	15	487
1955	517	1	3/54	572	17	498
1956	545	1	56	602	27	514
1957	505	1	61	567	23	483
1958	462	1	61	521	47	423
1959	681	1	68	750	28	641
1960	708	1	78	787	45	646
1961	706	3	96	805	48	686
1962	785	4	71	860	49	728
1963	836	6	83	925	41	771
1964	936	7	112	1,055	64	910
1965	1,041	8	81	1,130	42	1,003
1966 4/	1,134	10	86	1,230	30	1,108
1967 5/	1,200	13	92	1,305		

1/ Prior to 1949, includes fatty acids derived from tall oil.

2/ Prior to 1950, includes only fatty acids from fractionating stearic, oleic, and solid fatty acids.

3/ Method of reporting stocks changed; reported stocks for December 31, 1955, were 75 million pounds.

4/ Preliminary.

5/ ERS forecast.

Totals computed from unrounded numbers.

SOURCE: Bureau of the Census.

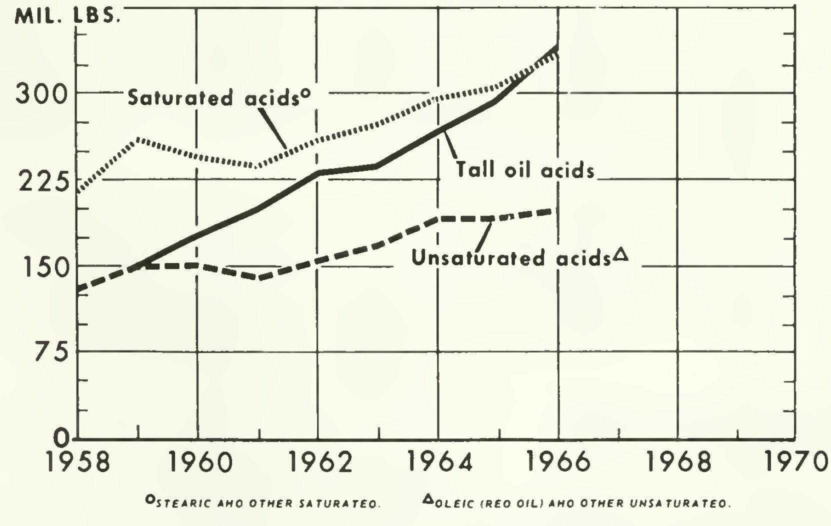
the balance is about equal parts of rosin and fatty acids. However, the fatty ratio may vary from around one-third to two-thirds of the total rosin-fatty acid content, depending upon where the pine trees are grown. According to the Pulp Chemicals Association, processing of crude tall oil by fractionation yields, on the average, the following products and percentages: Fatty acids, 25 percent, rosin acids, 40 percent, and secondary products (distilled tall oil, tall oil heads, and tall oil pitch), 35 percent. Increased capacity as well as improved techniques of fractional distillation of tall oil have boosted the output of tall oil fatty acids. Tall oil fatty acids are in strong demand because users have learned how to handle these acids and earlier prejudices have been largely overcome. Also the price of tall oil has remained relatively stable, with a constant and dependable source of supply.

PRODUCTION OF TALL OIL FATTY ACIDS RISING RAPIDLY

Fatty acids may be divided generally into saturated and unsaturated acids. The saturated acids in their normal forms are solids at room temperature, and unsaturated acids under the same circumstances are liquids. It is possible to induce such a variety of chemical and physical modifications in fatty acids that in their numerous forms and combinations they make practically a continuous series from light liquids to dense, waxy solids.

The saturated acids (particularly stearic and palmitic) are used mainly in soap, detergents, cosmetics, candles, waxes and many chemical intermediates. The unsaturated acids (including oleic acid or red oil and tall oil fatty acids) go primarily into protective coatings, inks, metallic driers, soaps, detergents,

FATTY ACID PRODUCTION



°STEARIC AND OTHER SATURATED. △OLEIC (RED OIL) AND OTHER UNSATURATED.

U. S. DEPARTMENT OF AGRICULTURE NEG. ERS 5015-67 (3) ECONOMIC RESEARCH SERVICE flotation agents, core oils, cutting oils, lubricating oils, and chemical intermediates.

Table 18 shows statistics on the production and disposition of saturated and unsaturated fatty acids, including tall oil fatty acids, as compiled by the Soap and Detergent Association (SDA). 1/ In recent years, the total for fatty acid production shown by SDA data has averaged about four-fifths of the total shown by Census. The difference probably reflects the stricter definition of production used in the SDA survey. The SDA excludes fatty acids manufactured as intermediates during continuous processes or further processed into other fatty acids as are operations involving only the hydrogenation of glycerides. The Census production data are much broader, covering "fatty acids, all grades."

The output of saturated and unsaturated fatty acids rose substantially during 1958-66, increasing 54 and 50 percent, respectively. However, the biggest increase was in tall oil fatty-acid production, which increased 170 percent during this same period. (See chart on page 29.) The rapid growth and wider acceptance of fatty acids and derivatives reflects the many technical advances made by the industry. Specialty items derived from fatty acids continue to be developed by basic producers and marketed within the industry on an expanding scale. According to the SDA shipments data for 1961-66, around 12 percent of U.S. fatty acid production entered captive use by these producers (table 18). Another 7 percent of total production was exported during the same period.

TALLOW AND TALL OIL ACCOUNT FOR 90 PERCENT OF FATTY MATERIALS USED

The total of fats and oils used in producing fatty acids has increased from 0.7 billion pounds in 1958 to over 1.9 billion in 1966. Greater quantities of inedible tallow and greases and tall oil account for the increase (table 19). Coconut oil and vegetable oil foots make up most of the remainder and their usage remained relatively steady during this period (see cover chart). Other oils used in fat splitting include soybean, cottonseed, safflower, corn, palm, fish, linseed, castor and miscellaneous oils in smaller quantities.

While the use of inedible tallow and grease rose from 0.3 billion pounds to 0.6 billion during 1958-66 period, its share of the total of all fats and oils used remained around 31 percent. Tall oil, on the other hand, increased from 0.3 billion pounds to 1.2 billion, upping its share of the total raw materials used from 40 percent in 1958 to 60 percent in 1966. 2/ As shown in table 19, fatty acid production averaged around three-fifths of the total of all fats and oils used in its manufacture during 1958-66.

During 1935-39, soapmaking used about four-fifths of the U.S. production of inedible tallow and grease, and the output of animal fatty acids as industrial chemicals was relatively small. In 1966, about one-fourth of the total domestic use of inedible tallow was in soap and another fourth in fatty acids. Over a third was utilized in animal feeds. In addition, roughly one-half of the inedible tallow and grease produced in the United States has been exported in recent

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1/ The Fatty Acid Producers' Council, a Division of the Soap and Detergent Association, is the source for data on fatty acid statistics other than tall oil. Data on the latter are provided by the Pulp Chemicals Association.

2/ The use of whole or crude tall oil in the distillation or fractionation process is reported by Census as consumed in "fatty acids;" the use in the acid refin-process is reported as consumed in "refining." The production of refined tall oil includes output of acid-refined tall oil and distilled tall oil (containing less than 90 percent free fatty acids not including resin acids).

Table 18.--Saturated, unsaturated, and tall oil fatty acids: Production and disposition, 1952-66

Calendar year	Production	Disposition 1/			
		Domestic	Captive consumption	Exports	Total
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Saturated Fatty Acids 2/					
1952	175.3	146.1	25.6	6.8	178.4
1953	201.3	170.1	16.7	6.1	193.1
1954	185.1	162.6	17.6	7.7	187.8
1955	225.2	205.6	27.0	9.0	241.9
1956	228.3	201.9	26.4	6.5	235.0
1957	237.2	206.9	21.1	5.3	233.3
1958	214.5	191.5	21.0	5.8	218.4
1959	257.2	239.7	21.5	4.9	266.1
1960	245.7	223.8	27.4	4.9	256.1
1961	236.1	222.6	30.6	6.2	259.5
1962	259.8	241.2	30.0	5.8	276.9
1963	271.1	258.3	22.5	2.3	283.2
1964	297.9	282.3	24.6	3.6	310.2
1965	301.5	282.7	26.4	2.7	311.8
1966	331.9	303.8	27.1	3.5	334.4
Unsaturated Fatty Acids 3/					
1952	190.2	143.8	25.6	6.8	198.7
1953	195.8	160.0	26.8	6.1	207.3
1954	186.5	152.9	28.6	7.7	196.1
1955	193.5	165.5	28.4	9.0	205.3
1956	177.2	146.4	26.7	6.5	186.1
1957	156.2	124.8	27.1	5.3	157.6
1958	130.9	107.7	25.9	5.8	136.9
1959	149.2	120.1	28.1	3.5	151.8
1960	149.7	120.9	28.6	4.9	154.1
1961	140.3	126.4	31.4	2.6	160.4
1962	154.1	131.0	34.3	2.1	167.4
1963	169.8	126.3	42.7	2.3	171.6
1964	191.3	143.1	51.1	6.0	200.1
1965	192.1	143.7	49.4	8.9	201.9
1966	196.1	147.0	53.7	5.3	206.0
Tall Oil Fatty Acids					
1959	149.6	122.7	2.9	12.5	138.1
1960	172.5	137.1	7.8	26.5	171.4
1961	195.6	170.0	11.7	29.8	211.4
1962	228.0	179.8	10.2	31.0	221.0
1963	238.7	189.1	12.2	37.1	238.2
1964	266.1	202.8	21.4	43.7	267.9
1965	298.2	236.6	19.8	45.7	302.0
1966	337.2	275.8	21.3	54.7	351.8
Total					
1959	556.0	482.6	52.5	20.9	556.0
1960	567.9	481.6	63.8	36.2	581.6
1961	572.2	519.0	73.7	38.6	631.3
1962	641.9	552.0	74.5	39.0	665.3
1963	679.8	573.7	77.4	41.7	692.9
1964	755.3	628.0	97.1	53.2	778.3
1965	791.8	662.9	95.5	57.3	815.7
1966	865.2	726.6	102.1	63.5	892.2

1/ Based on shipments. 2/ Includes stearic acid (40-50% stearic content), hydrogenated animal, vegetable, fish, and marine mammal fatty acids, high palmitic (over 60% palmitic), coconut-type acids (including coconut, palm kernel and babassu) and fractionated short chain fatty acids (such as caprylic, capric, lauric and myristic). 3/ Includes oleic acid (red oil), animal fatty acids other than oleic, vegetable and marine fatty acids.

SOURCE: Fatty Acid Producers' Council, Division of the Soap and Detergent Association; and the Pulp Chemicals Association for tall oil fatty acid statistics beginning with 1962.

years. Almost all of the tall oil produced in the United States is used domestically in making fatty acids.

The volume of fats and oils going into industrial use depends significantly on their supply, prices, and the nature of the markets. Agricultural byproducts such as fats and oils tend to show wide market fluctuations. Users accustomed to nonagricultural raw materials will often shun fats and oils because of their price instability. One reason tall oil has been able to capture a large share of the fatty acid market has been its constant and dependable supply and relatively steady price levels. In this respect, tall oil is more like a chemical product.

PRICE TRENDS

Fatty acid production has continued upward despite the rise in raw material prices in recent years. This apparently has been possible because of the continued uptrend in the difference between prices of fatty acids and their raw materials.

In 1959, the average price of oleic acid (single, distilled, drums, N.Y.) was 18.3 cents per pound. The price of inedible tallow (No. 1 tanks, Chicago) was 5.4 cents. The spread between these two prices was 12.9 cents (table 20). In 1966, with oleic acid at 24.6 cents a pound, the difference between the two prices was 18.1 cents, an increase of 40 percent. Similarly, the price margin between stearic acid and inedible tallow widened, though by a smaller amount. In sharp contrast, the price of tall oil acids (tanks, works, less than 2 percent rosin acids) has held relatively stable at 9.0 to 9.6 cents per pound along with crude tall oil prices (tanks, works). The spread in prices between the tall oil acids and raw materials was 6.4 cents in 1966 compared with 6.1 cents in 1961.

Coconut oil prices have fluctuated widely, from 18.3 cents per pound (crude, tanks, Pacific Coast) in 1959 to 10.8 cents in 1962. Coconut oil is imported almost entirely from the Philippines and the supply varies with annual changes in copra production in that country. Coconut oil usually sells at a slightly higher price than domestic vegetable oils, such as soybean oil.

Under present conditions the prices of the crude edible vegetable oils are usually too high priced for fat splitting for use in industrial products but they are used in the food industry or for other special purposes. In 1962-66, the average price of soybean oil (crude, tanks, Decatur) was 10.0 cents per pound, nearly twice that of inedible tallow and three times the price of crude tall oil. Soybean oil is utilized primarily in food products (90 percent of total domestic disappearance last year) and its price is determined mainly in competition with other food fats and oils.

OUTLOOK

The most promising market outlet for inedible fats and oils continues to be in chemical processing of fatty acids and derivatives. Fatty acid production and its widely diversified uses likely will continue to increase. This is in contrast to the fate of inedible fats and oils used in soap and protective coatings. Use of these has dropped sharply over the years due to increased use of synthetics. Chemical research and development probably will increase the importance of some minor uses as the industry devotes more time and effort to specialty and tailor-made products. The marketing of fatty acids and their derivatives is a very technical operation, and in many cases the products move directly from producer to fatty product manufacturers.

The supply and prices of raw materials are expected to be favorable for the fatty acid industry over the next few years. Inedible tallow and grease prices may average slightly below the 7 cents per pound level of the past 2 years as production continues to climb. But the key to tallow prices rests with the export demand, as about one-half the U.S. production moves abroad.

Table 19.--Fatty acid production and fats and oils used in manufacture, 1952-67

Calendar year	Fatty acid production (all grades)	Fats and oils used in producing fatty acids						Fatty acid production as % of total fats and oils used
		Inedible tallow and grease	Tall oil 1/	Coconut oil	Vegetable foots	Other	Total	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Percent
1952	548	187	---	48	143	34	412	133
1953	512	252	2/	45	130	150	577	89
1954	500	242	2/	54	116	109	521	96
1955	517	278	2/	40	116	172	606	85
1956	545	286	161	45	99	54	645	84
1957	505	284	264	45	89	55	737	69
1958	462	256	293	39	83	51	722	64
1959	681	373	557	98	94	28	1,150	59
1960	708	386	674	83	77	24	1,245	57
1961	706	356	676	74	82	37	1,226	58
1962	785	411	720	56	92	41	1,319	59
1963	836	449	779	51	89	39	1,406	59
1964	936	485	925	54	79	55	1,598	59
1965	1,041	539	1,023	54	71	57	1,744	60
1966 3/	1,134	583	1,171	60	79	59	1,952	58
1967 4/	1,200						2,050	58

1/ The use of whole or crude tall oil in the distillation or fractionation process is reported as consumed in fatty acids.

2/ Included in "other secondary products not shown separately" to avoid disclosure of figures for individual companies.

3/ Preliminary.

4/ ERS forecast.

SOURCE: Bureau of the Census.

Table 20.--Wholesale price per pound of selected fatty acids and fats and oils, 1950-66

Calendar year	Fatty acid prices				Fats and oils prices			
	Oleic acid, single distilled, drums, N.Y.	Stearic acid, double pressed, bags, N.Y.	Tall oil acids, tanks, works		Inedible tallow No. 1, tanks, Chicago	Coconut oil, crude, tanks, Pacific Coast	Soybean oil, crude tanks, Decatur	Tall oil, crude, tanks, works
			2% or more rosin acid	Less than 2% rosin acid				
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1950	17.2	17.0			7.6	18.4	14.0	2.1
1951	18.4	17.6			10.6	18.5	16.8	3.1
1952	13.7	12.3			4.4	13.6	11.0	2.8
1953	13.4	12.3			3.7	19.0	12.4	2.2
1954	16.6	14.4			6.1	16.2	13.3	2.0
1955	18.8	15.6			6.6	14.5	11.6	2.4
1956	19.4	16.2			6.1	14.2	13.2	2.5
1957	22.9	17.0			6.8	14.2	12.2	2.6
1958	18.8	17.7			6.9	14.6	10.5	2.8
1959	18.3	17.8			5.4	18.3	9.0	2.8
1960	17.4	16.9			4.5	14.3	8.8	2.8
1961	18.9	18.2	8.1	9.3	5.4	11.5	11.5	3.2
1962	20.6	19.3	7.6	9.4	4.5	10.8	9.0	3.5
1963	21.8	18.7	7.1	8.9	4.7	11.8	8.9	3.6
1964	22.8	19.9	7.5	9.5	5.9	13.4	9.2	3.6
1965	25.0	22.1	7.5	9.3	7.2	15.9	11.2	3.5
1966 1/	24.6	21.8	8.0	9.6	6.5	13.2	11.7	3.2
1967								

1/ Preliminary.

Prices of tall oil have been relatively steady and are likely to continue so, as tall oil production continues its steady uptrend. As the demand for paper expands, the sulphate woodpulp industry expands, making possible increased output of tall oil from the increased amounts of byproduct liquors available. Continued improvement in the rate of recovery of crude black liquor soap may also boost tall oil output. In recent years, the average annual rate of increase in the output of sulphate woodpulp has been about 6 percent. The annual increase in tall oil production has been closer to 10 percent. According to trade reports, tall oil fractionation capacity (in terms of crude tall oil input) could reach about 875,000 tons per year in 1968 compared with 665,000 tons currently.

Supplies of edible vegetable oils (mainly soybean oil) will remain abundant during the next few years but prices likely will continue too high for the chemical industry, except in specialty products. Soybean crushings and soybean oil refining will continue to expand, thereby making more soybean oil foots available for the fatty acid industry.

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The next issue of the Fats and Oils Situation is scheduled for release on June 30, 1967. Other issues this year are scheduled for release on September 28, and November 9 (Outlook issue).

Table 21.--Food fats and oils: Supply and disposition, 1961-66

Total 1/

Year beginning October	Production			Stocks		Domestic disappearance			Exports		
	Oct.-Jan.	Feb.-Sept.	Oct.-Sept.	Oct. 1	Feb. 1	Oct.-Jan.	Feb.-Sept.	Oct.-Sept.	Oct.-Jan.	Feb.-Sept.	Oct.-Sept.
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1961	5,065	8,224	13,289	1,253	1,783	3,054	5,863	8,917	1,464	2,618	4,082
1962	5,182	8,671	13,853	1,488	1,948	3,355	5,537	8,891	1,353	2,997	4,351
1963	5,189	8,666	13,856	2,065	2,212	3,354	6,125	9,479	1,674	3,344	5,018
1964	5,404	8,716	14,119	1,361	1,418	3,348	6,217	9,565	1,986	3,054	5,040
1965	5,704	8,931	14,634	831	948	3,607	6,524	10,131	1,971	2,396	4,367
1966	5,576			925	1,291	3,472			1,727		
	Butter (actual weight), except farm 2/										
1961	489	1,063	1,552	238	239	487	869	1,356	4	15	19
1962	464	992	1,456	419	363	494	802	1,296	27	104	131
1963	426	1,000	1,425	450	229	514	856	1,370	135	184	319
1964	443	945	1,388	188	63	473	793	1,266	96	54	150
1965	346	763	1,108	161	34	466	715	1,181	10	13	24
1966	370			68	35	403			3		
	Lard, except farm										
1961	854	1,496	2,350	100	102	678	1,190	1,868	174	334	508
1962	875	1,514	2,389	73	148	674	1,136	1,810	126	445	571
1963	874	1,510	2,384	81	106	653	1,038	1,691	196	510	706
1964	840	1,290	2,130	68	151	563	1,143	1,705	195	236	431
1965	641	1,214	1,855	62	70	561	1,074	1,635	72	146	218
1966	725			64	116	585			87		
	Beef fats 3/										
1961	151	293	444	25	26	147	291	438	3	7	10
1962	142	337	480	21	38	123	334	457	3	7	9
1963	201	377	578	34	36	196	382	578	2	8	10
1964	184	351	535	25	46	160	367	527	2	9	11
1965	192	371	563	22	37	170	360	530	7	9	16
1966	211			40	63	182			8		
	Total edible vegetable oils 4/ 5/										
1961	3,570	5,372	8,943	890	1,417	1,766	3,566	5,332	1,259	2,209	3,468
1962	3,701	5,828	9,529	975	1,399	2,091	3,330	5,422	1,170	2,377	3,546
1963	3,689	5,780	9,469	1,500	1,842	2,020	3,931	5,951	1,312	2,560	3,872
1964	3,937	6,130	10,067	1,080	1,158	2,187	3,957	6,144	1,659	2,711	4,369
1965	4,524	6,583	11,108	587	808	2,432	4,417	6,849	1,859	2,187	4,046
1966	4,270			753	1,076	2,326			1,606		

Continued -

Table 21.--Food fats and oils: Supply and disposition, 1961-66

Year beginning October	Production			Stocks		Domestic disappearance			Exports		
	Oct.-Jan.	Feb.-Sept.	Oct.-Sept.	Oct. 1	Feb. 1	Oct.-Jan.	Feb.-Sept.	Oct.-Sept.	Oct.-Jan.	Feb.-Sept.	Oct.-Sept.
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
						Cottonseed oil 5/					
1961	942	1,010	1,952	170	434	470	883	1,352	209	266	474
1962	951	978	1,930	296	610	525	822	1,347	112	279	392
1963	940	999	1,939	488	740	537	871	1,407	151	436	586
1964	932	1,069	2,001	433	519	596	959	1,555	251	392	643
1965	912	921	1,833	236	336	667	929	1,595	146	126	272
1966	693			202	436	436			22		
						Soybean oil 5/					
1961	2,463	4,011	6,475	677	938	1,152	2,388	3,540	1,051	1,942	2,993
1962	2,582	4,492	7,075	618	725	1,418	2,206	3,624	1,057	2,091	3,149
1963	2,562	4,363	6,925	920	1,011	1,322	2,737	4,058	1,149	2,060	3,209
1964	2,804	4,607	7,411	578	587	1,414	2,655	4,069	1,381	2,241	3,622
1965	3,387	5,177	8,564	297	415	1,587	3,101	4,688	1,682	2,029	3,711
1966	3,359			462	565	1,684			1,572		
						Corn oil					
1961	121	265	386	33	37	118	252	370	---	---	---
1962	129	266	395	50	49	129	252	381	---	---	---
1963	136	280	415	63	62	136	280	416	---	---	---
1964	137	298	435	62	39	159	302	462	---	---	---
1965	148	311	459	35	30	153	286	439	---	---	---
1966	145			55	47	153			6/		
						Peanut oil 5/					
1961	26	46	73	9	8	27	43	70	6/	1	1
1962	23	71	94	11	14	19	50	69	6/	6	6
1963	36	87	123	30	29	25	44	69	12	65	76
1964	51	122	173	8	13	19	40	59	27	78	104
1965	65	140	205	18	27	26	101	126	30	32	63
1966	59			34	28	53			11		

1/ Includes butter, except farm; lard, except farm; beef fats; and edible vegetable oils. Production and exports include the oil equivalent of exported oilseeds. Domestic disappearance and exports have been adjusted for exports of processed food oils not classified by kind, shortening, margarine, and other secondary fats. Exports also include shipments and quantities from CCC stocks that were not reported in Census data. During 1960-64 exports include estimates of foreign donations of fats and oils. 2/ 1962-64, stocks include estimates of butter oil, ghee, and canned butter. 3/ Includes edible tallow, oleo stock, oleo oil and oleo stearine. 4/ Includes cottonseed, soybean, corn, peanut, and edible olive oils. Production includes imports of corn, peanut, and edible olive oils. 5/ Production and exports include oil equivalent of oilseed exported for crushing. 6/ Less than 500,000 pounds.

Totals computed from unrounded numbers.

Table 22.--Selected nonfood fats and oils: Supply and disposition, 1961-66

Year	Production			Stocks		Domestic disappearance			Exports		
	Oct.-Jan.	Feb.-Sept.	Oct.-Sept.	Oct. 1	Feb. 1	Oct.-Jan.	Feb.-Sept.	Oct.-Sept.	Oct.-Jan.	Feb.-Sept.	Oct.-Sept.
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
					Inedible tallow and grease						
1961	1,232	2,545	3,776	389	408	638	1,455	2,093	575	1,135	1,710
1962	1,234	2,595	3,829	365	475	711	1,414	2,124	413	1,325	1,738
1963	1,496	3,108	4,604	334	387	800	1,520	2,320	643	1,695	2,338
1964	1,569	2,892	4,461	282	437	783	1,456	2,239	631	1,523	2,155
1965	1,492	2,909	4,401	351	435	754	1,621	2,375	655	1,307	1,962
1966	1,575			417	506	832			654		
					Coconut oil 1/ 2/						
1961	249	406	656	301	308	242	507	749	1	1	2
1962	312	487	799	206	240	278	494	773	3/	5	6
1963	241	504	745	227	196	267	537	805	5	1	6
1964	238	487	725	162	148	247	512	759	5	7	12
1965	318	577	895	115	132	300	518	817	2	7	8
1966	343			184	187	338			3		
					Fish and marine oil 1/ 4/						
1961	64	244	308	180	126	89	107	196	29	101	130
1962	84	205	289	162	166	52	---	47	27	195	222
1963	52	201	253	182	130	26	58	84	78	125	203
1964	48	227	276	147	149	14	95	109	33	89	122
1965	44	164	208	192	168	41	77	118	27	75	102
1966	60			180	157	61			23		
					Tall oil						
1961	282	600	882	97	113	259	567	826	7	19	26
1962	290	658	948	127	128	282	595	877	8	22	31
1963	344	735	1,079	168	197	305	666	971	9	21	30
1964	371	764	1,136	246	259	343	697	1,041	14	45	59
1965	387	844	1,231	281	283	354	796	1,150	31	74	105
1966	404			258	242	389			31		
	July-Jan.	Feb.-June	July-June	July 1	Feb. 1	July-Jan.	Feb.-June	July-June	July-Jan.	Feb.-June	July-June
					Linseed oil						
1961	251	140	391	94	132	213	166	378	1	1	2
1962	248	180	428	105	131	214	180	394	8	1	9
1963	215	179	394	131	124	208	158	365	13	1	14
1964	264	154	418	144	199	191	153	344	18	2	20
1965	259	204	463	198	217	199	137	336	42	42	84
1966	246			241	206	190			91		

1/ Production includes imports of oil.
2/ Prior to January 1965, stocks include GSA stockpile.
3/ Less than 500,000 pounds.
4/ Beginning March 1963, stocks include GSA stockpile.
Totals computed from unrounded numbers.

Table 23.--Fats, oils, including their products: Production from domestic and imported materials, and factory and warehouse stocks at end of month, averages 1951-55 and 1956-60 and calendar years 1963-66

Item	Production 1/						Stocks			
	Average		Calendar Years				December 31			
	1951-55	1956-60	1963	1964	1965	1966	1963	1964	1965	1966
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
PRIMARY FATS AND OILS										
Food fats and oils										
Butter 2/	1,327.0	1,384.9	1,419.7	1,441.5	1,322.8	1,119.2	207.0	66.5	52.1	32.3
Lard and rendered pork fat 3/	2,374.8	2,441.4	2,373.0	2,388.0	1,980.0	1,898.0	119.4	127.1	61.7	100.3
Beef fats	223.5	333.7	532.1	558.5	540.4	579.4	35.6	41.7	31.1	50.9
Total edible animal fats	3,925.3	4,160.0	4,324.8	4,388.0	3,843.2	3,596.6	362.0	235.3	144.9	183.5
Corn oil	249.1	301.4	390.5	413.9	445.9	446.8	64.8	40.1	26.1	53.5
Cottonseed oil	1,764.3	1,667,0	1,917.0	1,932.8	1,974.2	1,673.9	694.0	506.3	300.1	381.8
Peanut oil	86.4	84.9	99.9	124.3	138.5	166.8	30.1	8.0	21.0	23.9
Soybean oil	2,534.2	3,870.9	5,053.2	4,943.8	5,235.5	5,811.2	1,024.0	544.2	374.8	510.9
Total edible vegetable oils	4,634.0	5,924.2	7,460.6	7,414.8	7,794.1	8,098.7	1,812.9	1,098.6	722.0	970.1
Soap fats and oils										
Tallow, inedible, and greases excluding wool grease 4/	2,581.7	3,212.6	4,057.7	4,688.0	4,383.4	4,446.5	377.1	366.4	413.8	447.4
Palm oil 5/	---	---	---	---	---	---	37.0	18.7	8.9	32.8
Fish and marine oil 5/	153.4	189.9	185.8	180.2	195.5	164.4	145.2	139.9	185.3	158.5
Coconut oil	447.2	440.3	348.3	327.6	365.4	255.7	5/199.5	5/154.0	154.4	195.6
Total soap fats	3,182.3	3,842.8	4,591.8	5,195.8	4,944.3	4,866.6	758.8	679.0	762.4	834.3
Drying Oils										
Castor oil 5/	66.4	24.6	---	---	---	---	223.6	206.3	211.3	181.0
Linseed oil	615.4	499.8	399.1	443.6	410.1	454.2	111.8	185.5	213.5	208.4
Safflower seed oil	---	---	116.1	N.A.	117.2	100.3	62.8	13.1	32.5	54.2
Tall oil	394.2	714.7	991.3	1,104.0	1,145.4	1,242.6	188.6	255.2	299.3	246.9
Tung oil	24.4	29.0	11.8	24.5	26.7	2.9	15.3	35.7	52.4	63.7
Total drying oils	1,100.4	1,268.1	1,518.3	1,572.1	1,699.4	1,800.0	602.1	695.8	809.0	754.2
Grand total 6/ 7/	12,842.0	15,195.1	17,895.6	18,570.7	18,281.0	18,361.9	3,535.8	2,708.7	2,438.3	2,742.1
From domestic materials	12,328.4	14,730.2	17,547.3	18,243.1	17,915.6	18,106.2				
From imported materials	513.6	464.9	348.3	327.6	365.4	255.7				
FAT-AND-OIL PRODUCTS										
Cooking and salad oils										
Total	---	1,861.4	2,359.4	2,846.1	2,773.1	2,946.8	145.1	118.8	85.9	83.4
Soybean	---	---	1,314.8	1,632.9	1,553.8	1,854.4	104.2	82.4	50.9	52.1
Other	---	---	1,044.6	1,213.2	1,219.3	1,092.4	40.9	36.4	35.0	31.3
Baking and frying fats (shortening)										
Total	1,725.1	2,044.4	2,584.3	2,664.1	2,792.5	3,181.2	119.3	121.1	116.6	118.6
100% vegetable oil	---	---	---	---	N.A.	2,113.2	---	---	82.1	89.4
100% animal fats or blends of vegetable oil and animal fats	---	---	---	---	N.A.	1,068.0	---	---	34.5	29.2
Margarine										
Total	1,263.3	1,542.6	1,793.6	1,857.4	1,904.4	2,109.7	36.4	48.0	41.6	53.2
1 pound units	---	---	---	---	1,726.7	1,849.8	---	---	---	---
All other	---	---	---	---	177.7	262.7	---	---	---	---
Fatty Acids	527.6	580.1	835.6	936.0	1,041.4	1,133.9	112.4	81.4	86.2	92.3

1/ Factory production except as otherwise noted.

2/ Creamery butter and cold-storage stocks, United States Department of Agriculture.

3/ Total commercial. Excludes farm production. Federally inspected in 1963 totaled 2,116.7; 1964 totaled 2,153.2; 1965 totaled 1,771.8 and 1966 totaled 1,696.0 million pounds.

4/ Total apparent production.

5/ Stocks include GSA stockpile.

6/ Computed from unrounded numbers.

7/ Excludes estimated output of farm butter and farm lard, 1951-55 averaged 441 million pounds, 1956-60 averaged 272 million pounds; 1963 totaled 136; 1964 totaled 114; 1965 totaled 90 and 1966 totaled 48 million pounds.

Table 24.--Domestic disappearance of food and nonfood fats and oils, by end products, total and per person, year beginning October by quarters, with comparisons

Year and Quarter	Unit	Food							Nonfood				All products (fat content)
		Butter (actual weight)	Margarine (actual weight)	Lard (direct)	Baking and frying fats (shortening)	Salad and cooking oils 1/	Other edible 2/	Total (fat content)	Soap 3/	Drying oils 4/	Other 5/	Total	
1964-65													
Oct.-Dec.:													
Total	Mil.lb.	353	483	305	665	706	---	2,270	164	199	925	1,288	3,558
Per person	Lb.	1.8	2.5	1.6	3.4	3.7	---	11.8	.8	1.0	4.8	6.7	18.4
Jan.-Mar:													
Total	Mil.lb.	335	494	319	608	614	86	2,295	216	208	816	1,241	3,536
Per person	Lb.	1.7	2.6	1.6	3.1	3.2	.4	12.0	1.1	1.1	4.2	6.4	18.3
Apr.-June													
Total	Mil.lb.	312	445	306	634	637	---	2,184	190	249	819	1,257	3,441
Per person	Lb.	1.6	2.3	1.6	3.3	3.3	---	11.3	1.0	1.3	4.2	6.5	17.7
July-Sept:													
Total	Mil.lb.	288	460	278	736	666	---	2,284	200	243	780	1,223	3,507
Per person	Lb.	1.5	2.4	1.4	3.7	3.4	---	11.7	1.0	1.2	4.0	6.3	17.9
Season:													
Total	Mil.lb.	1,288	1,881	1,208	2,643	2,624	---	9,033	770	899	3,339	5,009	14,043
Per person	Lb.	6.6	9.7	6.2	13.6	13.5	---	46.5	4.0	4.6	17.2	25.8	72.3
1965-66 6/													
Oct.-Dec:													
Total	Mil.lb.	355	504	328	774	655	92	2,538	111	210	893	1,213	3,752
Per person	Lb.	1.8	2.6	1.7	4.0	3.4	.5	12.9	.6	1.1	4.6	6.2	19.2
Jan.-Mar:													
Total	Mil.lb.	314	527	260	790	701	96	2,527	194	255	944	1,393	3,920
Per person	Lb.	1.6	2.7	1.3	4.0	3.6	.5	12.9	1.0	1.3	4.8	7.1	20.0
Apr.-June:													
Total	Mil.lb.	278	486	261	742	693	---	2,271	207	225	943	1,375	3,647
Per person	Lb.	1.4	2.5	1.3	3.8	3.5	---	11.6	1.1	1.1	4.8	7.0	18.6
July-Sept:													
Total	Mil.lb.	251	495	272	832	711	---	2,388	199	222	894	1,315	3,704
Per person	Lb.	1.3	2.5	1.4	4.2	3.6	---	12.1	1.0	1.1	4.5	6.7	18.8
Season:													
Total	Mil.lb.	1,197	2,012	1,122	3,138	2,760	117	9,725	711	912	3,674	5,297	15,022
Per person	Lb.	6.1	10.2	5.7	16.0	14.1	.6	49.5	3.6	4.6	18.7	27.0	76.5
1966-67 6/													
Oct.-Dec:													
Total	Mil.lb.	295	577	285	774	661	---	2,389	280	227	853	1,359	3,748
Per person	Lb.	1.5	2.9	1.4	3.9	3.3	---	12.1	1.4	1.1	4.3	6.9	19.0
Jan.-Mar:													
Total	Mil.lb.												
Per person	Lb.												
Apr.-June:													
Total	Mil.lb.												
Per person	Lb.												
July-Sept:													
Total	Mil.lb.												
Per person	Lb.												
Season:													
Total	Mil.lb.												
Per person	Lb.												

1/ Not reported separately prior to 1959; included in "other edible" category.

2/ Mainly salads and cooking oils prior to January 1959. Includes all oils and fats (other than butter, lard, margarine and shortening) used in mayonnaise and salad dressing, bakery goods, and confectionery, commercial roasting and frying etc.

3/ Fat equivalent of soap used in synthetic rubber is included in "other industrial products". Adjusted for foreign trade and changes in stocks.

4/ Paints, varnishes, floor coverings, oilcloth, printing inks, core oils, synthetic resins, insulation, linings, packings, coated fabrics, caulking and other protective coatings.

5/ Includes use of fats and oils in chemicals, lubricants and greases, animal feeds; tin and terne plate, pharmaceuticals, leather, candles, synthetic organic detergents, toilet articles, and miscellaneous industrial products.

6/ Preliminary.

Computed from unrounded numbers.

Table 25.--Fats, oils, including their products: Production from domestic and imported materials, and factory and warehouse stocks at end of month

Item	Production 1/						Stocks			
	October-January		1966			1967	1966			1967
	1965-66	1966-67	Jan.	Nov.	Dec.	Jan.	Jan. 31	Nov. 30	Dec. 31	Jan. 31
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
PRIMARY FATS AND OILS										
Food fats and oils										
Butter 2/	345.6	370.1	99.2	80.8	97.4	112.9	33.7	39.0	32.3	35.1
Lard and rendered pork fat 3/	641.0	725.0	145.0	182.0	182.0	186.0	69.5	77.6	100.3	116.5
Beef fats	192.5	211.1	49.5	56.9	52.5	52.2	36.8	43.0	50.9	62.9
Total edible animal fats	1,179.1	1,306.2	293.7	319.7	331.9	351.1	140.0	159.6	183.5	214.5
Corn oil	147.8	144.0	35.4	36.1	34.1	34.3	30.3	55.2	53.5	46.9
Cottonseed oil	912.1	691.8	232.6	183.1	175.1	168.0	335.6	309.4	381.8	436.2
Peanut oil	41.0	48.1	14.2	9.1	12.8	17.0	26.9	26.5	23.9	27.8
Soybean oil	2,037.9	2,045.3	533.2	521.9	512.3	529.0	414.8	488.0	510.9	565.2
Total edible vegetable oils	3,138.8	2,929.2	815.4	750.2	734.3	748.3	807.6	879.1	970.1	1,076.1
Soap fats and oils										
Tallow, inedible, and greases excluding wool grease 4/	1,492.5	1,575.3	363.9	413.6	389.6	401.4	435.2	430.9	447.4	506.2
Palm oil 5/	---	---	---	---	---	---	8.1	31.5	32.8	46.4
Fish and marine oil 5/	21.2	33.8	.4	16.5	7.1	1.4	168.1	183.9	158.5	156.8
Coconut oil	131.3	---	27.6	---	---	---	131.7	178.7	195.6	187.1
Total soap fats	1,645.0	1,609.1	391.9	430.1	396.7	402.8	743.1	825.0	834.3	896.5
Drying Oils										
Castor oil 5/	---	---	---	---	---	---	215.3	185.3	181.0	187.3
Linseed oil	157.8	147.8	37.5	39.0	30.1	33.3	216.9	218.0	208.4	205.8
Safflower seed oil	30.8	13.5	---	---	---	---	26.7	53.1	54.2	55.7
Tall oil	386.7	404.4	101.2	101.8	94.5	107.1	283.4	250.7	246.9	241.7
Tung oil	3.8	1.4	1.3	---	---	1.4	53.3	56.2	63.7	67.0
Total drying oils	579.1	567.1	140.0	140.8	124.6	141.8	795.6	763.3	754.2	757.5
Grand total 6/ 7/	6,542.0	6,411.7	1,641.0	1,640.9	1,587.5	1,644.0	2,486.3	2,627.0	2,742.1	2,944.6
From domestic materials	6,410.7	6,411.7	1,613.4	1,640.9	1,587.5	1,644.0				
From imported materials	131.3	---	27.6	---	---	---				
FAT-AND-OIL PRODUCTS										
Cooking and salad oils										
Total	957.0	952.1	254.5	237.6	259.8	234.8	98.9	82.2	83.4	87.5
Soybean	560.0	615.7	161.2	151.2	170.3	154.8	63.4	47.3	52.1	54.3
Other	397.0	336.4	93.3	86.4	89.5	80.0	35.5	34.9	31.3	33.2
Baking and frying fats (shortening)										
Total	1,073.6	1,050.5	266.2	265.9	264.3	259.8	115.2	109.7	118.6	129.8
100% vegetable oil	N.A.	681.3	187.4	163.1	178.0	172.0	83.3	83.0	89.4	96.5
100% animal fats or blends of vegetable oil and animal fats	N.A.	369.2	78.8	102.8	86.3	87.8	31.9	26.7	29.2	33.3
Margarine										
Total	691.2	778.5	185.5	193.3	192.9	202.3	44.0	54.8	53.2	50.2
1 pound units	626.9	675.5	169.5	166.4	166.6	178.5	---	---	---	---
All other	64.2	109.0	15.8	26.2	29.8	26.6	---	---	---	---
Fatty Acids	361.7	376.3	89.6	92.2	94.2	96.0	88.2	91.0	92.3	102.1
Glycerin	119.5	124.9	28.1	33.2	29.8	30.8	53.1	38.4	39.0	41.6
Meat meal and tankage	1,310.8	1,406.9	316.6	354.6	362.3	341.3	---	---	---	---

---

1/ Factory production except as otherwise noted.
2/ Creamery butter and cold-storage stocks, United States Department of Agriculture.
3/ Total commercial. Excludes farm production. Federally inspected in October-January 1965/66 totaled 572.3 million pounds; October-January 1966/67 totaled 651.6 million pounds.
4/ Total apparent production.
5/ Stocks include GSA stockpile.
6/ Computed from unrounded numbers.
7/ Excludes estimated output of farm butter and farm lard, 45 million pounds in October-January 1965/66; 22 million pounds in October-January 1966/67.

Table 26.--Imports and exports of fats, oils, oil-bearing materials and fat-and-oil products in terms of oil

Item	Imports for consumption					Exports 1/				
	Oct.-Jan.		1966		1967	Oct.-Jan.		1966		1967
	1965-66	1966-67	Nov.	Dec.	Jan.	1965-66	1966-67	Nov.	Dec.	Jan.
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Food fats and oils										
Butter	3.2	1.7	.1	.1	1.5	6.7	2.0	.6	.3	.7
Lard	---	---	---	---	---	52.2	66.2	19.4	14.0	17.9
Beef fats	2/	1.1	---	2/	1.1	6.9	7.6	2.2	1.7	1.8
Total, edible animal fats	3.2	2.8	.1	.1	2.6	65.8	75.8	22.2	16.0	20.4
Corn oil	---	.9	---	---	2/	---	3/.5	---	---	.5
Cottonseed oil	---	1.0	---	---	---	145.3	21.3	5.8	5.3	3.8
Cottonseed (17 percent)	---	---	---	---	---	.2	.1	2/	2/	.1
Olive oil, edible	12.5	15.2	3.9	3.3	3.7	---	---	---	---	---
Peanut oil	2/	---	---	---	---	6.2	.8	.4	.1	.3
Peanuts, shelled (43.5 percent)	---	---	---	---	---	24.2	10.5	.8	5.4	4.0
Soybean oil	---	2/	---	2/	---	328.2	251.6	65.5	111.5	41.2
Soybeans (18.3 percent)	2/	2/	2/	2/	---	1,348.7	1,313.2	447.1	303.3	241.0
Other vegetable oils	4.2	4.9	.7	1.3	2.1	1.8	2.6	.9	.6	.6
Total, edible vegetable oils	16.7	22.0	4.6	4.6	5.8	1,854.6	1,600.6	520.5	426.2	291.5
Soap fats and oils										
Tallow, inedible	.4	.4	.1	2/	.1	608.0	609.4	181.8	157.9	122.5
Greases	.1	2/	2/	---	---	46.6	44.2	20.3	7.1	10.0
Fish and fish liver oils non-medicinal	.4	7.2	.1	2/	.1	4/27.1	22.7	.3	2/	18.0
Marine mammal oils	22.3	18.9	.9	13.4	.1	---	---	---	---	---
Olive oil, inedible	.1	.2	---	2/	2/	---	---	---	---	---
Palm oil	2.8	57.7	19.7	8.6	20.4	---	---	---	---	---
Total, slow-lathering oils	26.1	84.4	20.8	22.0	20.7	681.7	676.3	202.4	165.0	150.5
Coconut oil	186.4	261.5	31.3	9.3	196.8	1.4	2.9	.3	.3	1.2
Copra (64 percent)	153.3	48.8	23.9	5.4	4.3	---	---	---	---	---
Palm kernel oil	25.9	34.6	9.7	7.9	6.8	---	---	---	---	---
Total, lauric-acid oils	365.6	344.9	64.9	22.6	207.9	1.4	2.9	.3	.3	1.2
Drying oils										
Flaxseed (35.7 percent)	---	---	---	---	---	36.4	25.9	10.1	---	---
Linseed oil	2/	2/	2/	2/	---	11.6	38.7	6.2	16.4	8.6
Oiticica oil	.2	2/	---	2/	---	---	---	---	---	---
Tall oil	---	---	---	---	---	31.1	31.1	3.8	14.1	3.9
Tung oil	7.5	10.4	3.5	2.1	2.3	.3	.4	2/	.1	.1
Safflower seed (36 percent)	---	---	---	---	---	73.8	27.7	7.3	10.1	4.4
Total	7.7	10.4	3.5	2.1	2.3	153.2	123.8	27.4	40.7	17.0
Other industrial oils and fats										
Cashew nut shell liquid (oil)	---	---	---	---	---	---	---	---	---	---
Castor oil	53.6	42.2	14.5	7.1	14.8	---	---	---	---	---
Castor beans (46.5 percent)	1.4	2/	2/	2/	---	---	---	---	---	---
Fish-liver oils, medicinal	4.2	3.5	.9	.7	.9	---	---	---	---	---
Rapeseed oil	1.7	3.8	.7	.4	1.6	---	---	---	---	---
Wool grease	2.0	2.8	.6	.6	1.2	---	---	---	---	---
Other vegetable oils and fats, inedible	4.2	4.6	.8	1.5	1.6	19.1	15.1	2.1	2.5	6.5
Total	67.1	56.9	17.5	10.3	20.1	19.1	15.1	2.1	2.5	6.5
Other products										
Margarine (fat content)	---	---	---	---	---	1.0	1.1	.2	.3	.3
Shortening	---	---	---	---	---	14.6	12.5	2.2	1.2	1.3
Cooking and salad oils	---	---	---	---	---	---	---	---	---	---
Salad products (fat content)	---	---	---	---	---	1.9	1.9	.6	.6	.4
Soap (fat content)	1.1	.8	.2	.2	.2	4.7	3.9	1.4	1.0	.6
Fatty acids	1.7	3.6	.9	.7	.5	10.1	10.7	2.5	2.9	3.6
Total	2.8	4.4	1.1	.9	.7	32.3	30.1	6.9	6.0	6.2
Grand total 5/	489.2	525.8	112.5	62.5	260.1	2,808.0	2,524.8	781.8	656.7	493.2

1/ Includes re-exports but not shipments. Shipments average about 90 million pounds per year of which approximately 60 million are lard. Beginning January 1965, includes foreign donations.

2/ Less than 50,000 pounds.

3/ Not reported prior to January 1967.

4/ Beginning January 1965, includes marine mammal oils and fish liver oils.

5/ Computed from unrounded numbers.

Table 27.--Index numbers of wholesale prices of fats and oils

Item	1957-59=100				
	February		1966	1967	
	1965	1966	December	January	February
All fats and oils	108	111	103	101	99
All fats and oils, except butter	112	112	95	92	90
Grouped by origin:					
Animal fats	107	113	105	93	101
Vegetable oils, domestic	109	108	99	95	95
Vegetable oils, foreign	109	100	90	90	89
Grouped by use:					
Butter	99	106	113	113	113
Butter, seasonally adjusted	97	103	104	110	110
Lard	106	117	89	86	83
Food fats other than butter	108	114	95	91	90
Food fats other than butter and lard	109	109	98	94	93
All edible fats and oils	104	111	105	103	102
Soap fats	119	109	94	91	88
Drying oils	103	99	92	91	91
Other industrial	106	100	87	87	84
All industrial	118	110	96	93	90
Edible vegetable oils, grouped by degree of processing:					
Crude	109	108	98	94	94
Refined	100	116	101	93	97
End products	102	102	106	106	104
Margarine	101	102	107	107	100

All indexes except "Butter, seasonally adjusted" and "Other industrial" from Bureau of Labor Statistics.

Table 28.--Prices received by farmers and prices at terminal markets for specified oil-bearing materials and oilmeals

Item	Unit	February		1966	1967	
		1965	1966	December	January	February
		Dollars	Dollars	Dollars	Dollars	Dollars
Copra, Philippines, c.i.f. Pacific Coast	Short ton	204.88	190.00	158.60	162.12	169.50
Cottonseed, United States average	Short ton	48.20	47.50	65.90	65.30	63.30
Flaxseed, No. 1, Minneapolis	Bushel	3.20	3.12	3.16	3.16	3.16
Flaxseed, United States average	Bushel	2.92	2.81	2.88	2.87	2.85
Peanuts, No. 1, shelled, Spanish, Southeastern shipping points 1/	100 lb.	20.38	19.25	19.12	19.12	19.12
Peanuts, United States average	100 lb.	12.00	12.00	11.30	11.40	11.60
Soybeans, No. 1, Yellow, Chicago	Bushel	3.03	2.91	3.00	2.96	2.91
Soybeans, No. 1, Yellow, Illinois country shipping points	Bushel	2.95	2.84	2.95	2.88	2.84
Soybeans, United States average	Bushel	2.81	2.77	2.82	2.77	2.71
		Oilseed Meals (Bulk)				
Copra meal, 20 percent protein, Los Angeles	Short ton	76.50	86.50	82.00	82.00	82.00
Cottonseed meal, 41 percent protein, Memphis	Short ton	59.00	71.70	83.20	81.60	76.20
Cottonseed meal, 41 percent protein, Chicago	Short ton	67.50	79.50	92.30	89.90	84.60
Cottonseed meal, 41 percent protein, Atlanta	Short ton	64.90	75.00	88.50	87.20	81.90
Linseed meal, 34 percent protein, Minneapolis	Short ton	58.10	71.25	77.70	74.30	71.40
Linseed meal, 34 percent protein, New York	Short ton	76.40	87.90	101.25	102.25	98.50
Peanut meal, 50 percent protein, f.o.b. Southeastern mills	Short ton	66.70	77.50	93.40	93.40	89.30
Safflower meal, 20 percent solvent, San Francisco	Short ton	31.00	34.00	34.90	36.50	36.00
Soybean meal, 44 percent protein, Chicago	Short ton	74.20	81.50	89.10	86.10	83.70
Soybean meal, 44 percent protein, Decatur	Short ton	69.80	77.30	84.60	81.70	79.50
Soybean meal, 44 percent protein, Atlanta	Short ton	77.60	84.60	91.20	90.20	86.10
Soybean meal, 44 percent protein, Memphis	Short ton	71.80	79.40	87.60	85.00	80.40

1/ This price applies to peanuts for edible uses.

Compiled from Oil, Paint, and Drug Reporter, Daily Market Record (Minneapolis), Wall Street Journal, Chicago edition, reports of the Statistical Reporting Service and the Consumer and Marketing Service.

LIST OF TABLES

Table	Title	Page
1	Current monthly prices of fats and oils	2
2	Oilseeds: Prospective 1967 plantings with comparsions	5
3	Soybeans: Price support operations and reseal programs, 1958-66	8
4	Soybeans, oil and meal: Supply and disposition, 1958-67	10
5	Cottonseed, oil and meal: Supply and disposition, 1958-66	14
6	Food fats: Supply and disposition, 1957-66	16
7	Butter: Supply and disposition, 1935-66	17
8	Lard: Supply and disposition, 1935-66	17
9	Peanut oil and meal: Supply, disposition and price, 1947-66	19
10	Imports and exports of fats and oils, calendar years, 1964-66	21
11	Fats and oils used in products for consumption, 1935-66	23
12	Margarine: Supply and disposition, 1935-66	24
13	Margarine: Fats and oils used in manufacture, 1935-66	24
14	Shortening: Supply and disposition, 1935-66	25
15	Shortening: Fats and oils used in manufacture, 1935-66	25
16	Salad and cooking oil: Supply, disposition, and oil utilized, 1959-66	26
17	Fatty acids (all grades): Supply and disposition, 1943-66	28
18	Saturated, unsaturated, and tall oil fatty acids: Production and disposition, 1952-66	31
19	Fatty acid production and fats and oils used in manufacture, 1952-66	33
20	Wholesale prices of fatty acids and fats and oils, 1950-66	33
21	Food fats: Supply and disposition, 1961 to date	35
22	Nonfood fats: Supply and disposition, 1961 to date	37
23	Fats and oils: Production and stocks, calendar years, 1963-66	38
24	Domestic disappearance of fats and oils, by quarters, 1964-66	39
25	Monthly production and stocks of fats and oils	40
26	Monthly imports and exports of fats and oils	41
27	Monthly index numbers of wholesale prices of fats and oils	42
28	Monthly farm and terminal market prices for oilseeds and oilmeals	42

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